

EXTENSIONS OF REMARKS

PRUDENT BANKING

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. MORRISON. Mr. Speaker, the recent vote in the Congress on the question of Commodity Credit Corporation guaranteed loans in Poland has stimulated much debate all across America. Should we trigger default on Poland's shaky financial structure? What is the impact on our allies? Can we use our financial position as leverage to expand the split between the Polish people and U.S.S.R. Communists?

I found the answers to these questions and many more in a thoughtful article in the February 13 edition of the *Economist*. I am inserting the article in the CONGRESSIONAL RECORD so that it will be available to aid Members and all citizens in this great debate.

DOWN COMMUNISM'S SINK

The west should ready itself to declare Poland in default on its debts, which would have a shattering effect on lending to and trading with all eastern Europe. And then not declare the default until it has harder practical reasons than it yet has for doing so, even though everybody knows that Poland cannot make the loan repayments due from it this year.

Of moral reasons to declare default on Poland there are, and will be, plenty. But morality wins no repayment, no freedom and no wars. The better practical reasons would be three. The west should declare Poland in default.

1. If Russian refuses to take on financial responsibility for the interest and at least some of the immediate loan repayments due from a Poland whose own inability to pay them results from its having to work Russia's economic model in Russia's military shadow.

2. If Poland is not allowed to link its need for fresh credit to projects that start to make economic sense.

3. If Russia invades Poland.

The whip of withheld credit is now shifting into western bankers' hands, not into Russia's. Russia and eastern Europe are going to need at least a minimum trickle of credit from the west's bankers: either that or the communist empire in eastern Europe is going to be forced into so complete an economic isolation over the next 10 years that every Russian rifle will end up turned on its own peoples, every Russian tank will cost 1,000 unfertilised acres of grainland to make, and any Russian adventure abroad will eventually stretch its resources beyond what is possible.

Lord Keynes remarked that if you owe your bank a hundred pounds, you have a problem, but that if you owe a million, it has. That is why Russia thinks it has some

leverage today over a jittery banking system in the west. Some of the west's banks, depending as they do on never provoking a run of depositors, do have cause to jitter. But less each month. Each month that the lending to the east dries towards a trickle, as it is now doing, each month that both east and south in the world witness a new post-Christmas prudence among the west's once-bitten bankers, each month that huge positive real interest rates tempt savers and lenders to keep their money in America or Europe, each month that the price of oil—of which Russia is the world's largest producer—droops on a glutted oil market, so each month will Russia need to sell more gold and diamonds on the falling markets of Zurich and London to keep paying for the communist bankruptcy that it has forced on Poland, forced on eastern Europe, nourished in Cuba, fostered in Vietnam and would, if it could, foster, nourish and force elsewhere.

Those in America who would foreclose formally on Poland are confusing this flexible whip of withholding future credit, which can be made to hurt, with the pistol of declaring default on past credit. A western declaration of default would not be a suicide pistol. It would bring some injuries to some western banks and businesses, which could be bandaged if central banks then acted sensibly, but it would bring economic amputation for Russia's empire. That is why the west needs to threaten default first, and to invoke it only second if the communists do some further undesirable things. Draw back and see why this is so.

WHY RUSSIA NEEDS THE MONEY

Russia's need is not for credit for itself, but for its satellites. Russia probably ran a deficit on its current balance of payments last year, but in most years it can keep its own trade in balance or surplus. Soviet central committee members were freely telling their western visitors in Moscow last year that Poland's debt was Poland's debt, not Russia's. That confession, however, was in the late autumn, before General Jaruzelski had forestalled the final collapse of his own Polish communist party, and invasion by Russia, with his coup in the early morning of December 13th.

With those events Russia's hope—though it still wanly expresses it—offending Poland's debt away from its own coffers collapsed. Russia's problem now is somehow to prevent a Polish default becoming a tidal wave on uncreditworthiness across eastern Europe. It has to prevent the wave starting because it lacks the store of hard currency or the central banking mechanism to stem it once it does start. The west, by contrast, has to prepare its central banking dykes against only a containable ripple of bankruptcies even if default comes, large though its loans have been.

The west's largely unrepayable gross loans to the six east European satellites have gone up by something like \$60 billion to nearly \$80 billion in 1975-81. That is a handover bigger than one year of oil-rich Norway's gnp in that period; a probably faster rate of grant-giving even in real terms than American Marshall aid to Europe in 1948-52. This lending to eastern Europe was

politically odd for the west and economically crazy for everybody, including Mr. Edward Gierek and his Poland. If you pile such a load of international aid and money supply on to an inflexible economic system which has rigid attempted price controls, you do not put up real gnp. You increase queues, and—once you have then helped create a Jaruzelski junta to silence the resulting roar of social outrage—you, the western banker, have helped increase inflation in the country you lend to with a great big belated jerk. To some real extent, lax western credit was the creator of Solidarity. And its executioner.

As the feature on the next page explains, there are many different definitions of east Europe's debt, but last year foreign exchange grew tighter everywhere in the east. The cash balances in the west of all east European countries fell last year: Russia's may have plunged by 75% to \$2 billion. Russia's soft- and hard-currency handouts to its satellites shot up; according to the CIA's foreign assessment centre the hard-currency portion may have been over \$6 billion. Approaching \$2 billion of that may have gone to Poland, \$1.9 billion to Cuba, over \$1½ billion to (in order of burden on Moscow) Rumania, Czechoslovakia, East Germany and Hungary, over \$1 billion to Vietnam.

Those would be small numbers to shell out to friends were the giver America, Japan or West Germany. They are less small for a Russia whose oil for export is running out (it cut its subsidised oil supply to east European countries by 10% last year, so increasing the burden on them) and whose main currency earners are all for sale on, and helping to create, soft markets. The numbers will become unmanageable if, following a default, western credit dries up altogether. That is the west's whip-hand.

PLANNED IMPORTS BECOME SUCH CRITICAL ONES

The whip-hand is there because eastern Europe has come to depend far more heavily on imports from the main credit-suppliers of the west than either western bankers or western exporters depend on east Europe's market. People forget this. East-west trade was supposed to bind eastern Europe into the west and, in so doing, to give political leverage to the west. Well, it has. After the invasion of Afghanistan in 1979 some in the west, notably some in West Germany, began to say that the east too had leverage over them: that their western bankers and their western exporters were dependent on the doors remaining open to the east more than eastern consumers depended on them. It may still seem that way, in these lazy times that never dare face even the most marginal loss: certainly west Europe's political system, where a government can depend on a single by-election, and a single by-election can turn on whether a single company or a single bank goes bust, is more vulnerable to loss of a pipeline contract than is Mr. Brezhnev's central committee. But in real terms the east is much more vulnerable.

If the shutters come down on eastern trade, a few political windows may fall open with a clatter in Austria (which sends 10-15% of its annual exports to Comecon) and in West Germany (which sends 5-10%). Every other big western country sends

under 5% of its exports there, and the proportion of gnp is in each case tiny. After any stoppage of east-west trade the wind blowing through Russia's east European empire would, by contrast, be extreme indeed. And so, as Russia knows, would the turmoil in those countries by the end of the 1980s. Each of the east European six has "planned" its imports tightly; which means that the imports are the capital equipment or spare parts most urgently required for keeping a factory running, or the consumer goods most needed to slow the spread of discontent.

The west's banking system would suffer some wounds but not a catastrophe. It provides the credit that pays for the trade—and, egged on by governments, bad credit-risk assessment and a market that has made lendable money plentiful but dear, it has provided unwisely. So, with Poland, the west's banking system is left holding something over \$15 billion (\$6 billion of it guaranteed by western governments) of the estimated \$27 billion gross debt, one third of that ludicrously "repayable" in the current year plus interest that Poland cannot meet either.

DEFAULT IS WITHSTANDABLE, AND SO AVOIDABLE

A pretty pickle? Yes. But a small one in the jar. What characterises most east European debts is that they grossly exceed the export earnings conveniently available to service them in any single year. So too do the debts of some other big poor-country debtors—Brazil, say, or Mexico, whose combined debts exceed eastern Europe's. These Latin American debtors are distinguished, however, by the scale of their export earnings and by the flexibility of their economies which have proved in recent years that their balance of payments can bounce back impressively.

Western banks are at present also worried sick about the International Harvester, the Chryslers and the Pan Americans, some of which may go bust. But the warning signals for them have gone up. Prudent lending is the new order of the day with them too. If Poland were to default altogether, Deutsche Bank (Germany's largest bank) would still be in profit, Bank für Gemeinwirtschaft (Germany's largest Polish creditor) would still be in comfortable surplus on its capital and reserves, and just the first-quarter earnings of Bank of America (Poland's largest American bank creditor) would fall by about one seventh.

This ability to withstand a default is the best reason for not incurring it. A decision not to declare default on Poland avoids encouraging other irresponsibles—like Zaire—from possibly provoking it. It leaves old debts unpaid but in play.

And, above all, knowledge that default is not disaster for the west, but may be for the east, puts pressure on at least two men to avoid it if they can. They are General Jaruzelski and President Brezhnev. In place of default now there should be a stick held over these two men that a future default will be invoked if they do not reschedule debts in a plausible way. And a carrot of future credit to any east European countries that put their economic houses in order, which would mean liberalising their societies too. Such a policy will be a slow business. Russia will not allow itself or its lesser donkeys publicly to notice such carrots or such sticks. The donkeyman coaxing and goading Russia will therefore best be dressed in banking rather than political clothes. Some ideas:

1. Governments will need to impress on commercial banks that in their future lending to eastern Europe they will be on their own. Export credit guarantees from governments should be restricted to overtly political loans, which may be given only if the project, purpose and possible cost to the taxpayer is publicly announced. Preferably this system should be by Nato agreement but, if this fails, then

2. Export-credit-guarantee cheaters—West Germany?, Italy?, France?—should be left alone to carry the huge extra demand for credit from eastern Europe if their taxpayers are silly enough to let them. If there is evidence of cheating, uncheating governments should help their own banks pursue all unpaid debts through the courts until this stops.

3. In addition to their own increasingly stringent country credit limits, commercial banks should have penalties imposed by central banks in the form of higher provisions for their sovereign debts that have to be rescheduled.

4. Most routine trade should henceforth be financed by suppliers' credits and bills. Any longer-term credits should be tied to projects that are seen to be run with visible price mechanisms and hard-currency potential spelled out in advance—and held to before each credit tranche is disbursed.

5. To avoid Chase Manhattan's bitter experience when lending Poland money to develop its copper (a project which should have been self-financing but whose earnings just disappeared into Poland's general hard-currency pot) there should be closer co-operation between banks, governments, the IMF and BIS on data-gathering to discover whether they are not (unknown to each other) overloading a country with debt.

6. One carrot. Western politicians should say "our banks are having to slow their lending to east Europe's six because they have gone bust; we would like to provide an escape route to real gdp growth for any that want it". There should therefore be an offer that some long-run, government-insured money will be made available for Russian satellites who want it and who agree to packages for gdp growth and partial free-market incentives on terms perhaps somewhat in excess of what Hungary is doing for its economy now. These IMF-type packages would best not be provided by the IMF itself because its own conditional aid requires more freedom from price controls and other distortions than even Hungary is allowing. And the money should not come from an American-led institution. Let any such scheme be managed by Mr. Helmut Schmidt and Mr. Francois Mitterrand. Even then no Russia-fearing satellite will be in a hurry to accept such conditional, and political, help. But the fund should stand there, a carrot-shaped beacon at the end of the road.

The start down that road will be a rescheduling of present debts, and a more stringent and modest system of future ones, which ties the west's lending to the east's ability to repay on each individual project that is being financed. That ability, as only Hungary and possibly Czechoslovakia have yet begun to see, will rest on some sort of pricing and incentivised way of running a socialist economy. Call that not politics. Call it prudent banking.●

TEN THOUSAND MISKITO INDIANS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. LAGOMARSINO. Mr. Speaker, a Washington Post editorial recently focused on the violation of human rights by the Sandinista regime in Nicaragua. The Miskito Indians are being affected gravely by the regime, since they are being used as an instrument to gain support for the purpose of consolidating the Sandinistas' own power.

I urge my colleagues to carefully consider this article.

The text follows:

TEN THOUSAND MISKITO INDIANS

The latest report from Nicaragua describes an apparent violation of human rights of breathtaking dimensions. Officials of the left-leaning Sandinista regime have acknowledged, according to Post special correspondent John Dinges, that in recent weeks Nicaraguan troops removed from their villages some 10,000 Miskito Indians, from among a small community of about 100,000 who have long lived in relative poverty and isolation by Nicaragua's remote Atlantic coast. A police official assured Mr. Dinges that the villagers cooperated in their own removal and there were no injuries, though "more than 40" prisoners are being held in a coastal town. Travelers, journalists and other international observers have been barred from the area.

What is happening? It seems that the Miskitos, who have traditionally resisted central authority reacted to the military presence that the Sandinistas imposed after taking power in 1979—and to Cuban soldiers and civilians whom the Sandinistas brought with them. On their part, the Sandinistas, who say they have fielded "no more than 2,000 troops" in the area, have tied the Miskitos to some of the late dictator Anastasio Somoza's National Guardsmen now sitting in nearby Honduras awaiting the counter-revolution. A number of Moravian clergymen are accused of "preaching a primitive band of anti-communism." This is the context in which the regime has justified mass evacuations: to protect loyal Indians and to thwart creation of a "theater of operations of counter-revolutionary actions."

Much still has to be learned about the way the Sandinistas and the Cubans are treating this vulnerable Indian community. What is known, however, buttresses suspicions of a grievous calamity. Is it possible to believe that 20 whole villages cooperated to the man with soldiers trucking them away from their tribal homes? That only they were caught up in the sweep? That there were no injuries? That there is no continuing resistance?

In the United States and elsewhere, too many people are prepared to believe the worst about the center-right El Salvador junta even as they accept at face value the leftist Sandinistas' claim to a kind of traditional Marxist Robin Hood mantle. It is useful to keep in mind, however, that what the United States is trying to do in El Salvador is to prevent a concentration of power by precisely the sort of self-appointed elite

ruling in Nicaragua. Anyone who needs to be reminded why has only to consult the fate of the Miskito Indians. ●

FOREIGN DEBT: AMERICAN DEPENDENCE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. PAUL. Mr. Speaker, Karl Marx predicted that the workers of the world would one day unite under the banner of communism. His prescience was no better than that of today's economists. It is ironic, however, that just as his intellectual progeny have crushed the Polish workers, the strongest voice of dissent has arisen not from the owners of capital in America, but from the head of our largest labor union, Mr. Lane Kirkland of the AFL-CIO.

Indeed, some prominent American capitalists now have interests so terribly intertwined with the world's Communist despots that a very peculiar division of allegiances has resulted from the crisis in Poland, and the larger worldwide debt crisis. Big American banks have mortgaged away their future in loans to a myriad of Communist, Socialist, and other Third World economies. These economies have borrowed frantically, but have totally ignored the principles of individual liberty and self-reliance which are the prerequisites of prosperity and sound government.

Now the banks urge the U.S. Government to prevent even one country from defaulting on even one loan: they fear that a devastating chain reaction might ensue. But who, I ask, is to pay the price for all this foolish lending? You guessed it—the American taxpayers.

Now we see that American commercial interests are opposed to U.S. Government actions to block the planned natural gas pipeline in the Soviet Union. The pipeline is desperately needed by the U.S.S.R. to support its failed economy and its gargantuan military machine. And David Rockefeller, the spiritual leader of the New York bankers, has urged "normalization" of relations with Angola, the Russian puppet state where Cuban troops guard the oil rigs of American companies.

What does all this signify? One thing is clear: It is our Government, and not that of the Soviet Union or Poland, which is held hostage by foreign loans. And the result is that we continue to subsidize our avowed enemies with Government-sponsored credit, and we are foisting the burden of foreign debt upon the already overburdened shoulders of the American taxpayers.

I cannot, and will not, condemn American businesses for pursuing their interests abroad. But a government must heed imperatives higher than those dictated by short-term business interests. We must recognize the urgent threat posed by our growing dependence on the Communist and other foreign nations so deeply in debt to American banks.

Therefore, I heartily recommend the insightful editorial by Mr. Lane Kirkland, which is printed below. He recognizes that we must extricate ourselves from the dependence bred by the debt of Communist nations. Let me suggest how we can begin: I have introduced House Joint Resolution 414, to end the Federal Government's practice of making loan guarantees and credits available for the benefit of foreign countries. With stifling interest rates in the midst of a terrible recession, can anyone now justify Government programs which channel scarce credit abroad? With Poland, Romania, and the Soviet Union itself nearing financial insolvency, can we perpetuate programs which insure that our Nation's foreign policy will continue to be wagged by the tail of global debt?

U.S. Government guaranteed loans and credits made for the benefit of foreign nations, and now outstanding, total some \$57 billion. It is high time for this Congress to declare: Enough is enough. Only in doing so will we rise above the status of international debt-mongers. I urge my colleagues to support House Joint Resolution 414.

Lane Kirkland's editorial follows:

[From the Washington Post, Feb. 24, 1982]

WHY NOT ECONOMIC WAR?

(By Lane Kirkland)

The media are wrong to play up personality clashes in the Reagan team as the source of the administration's failure to project a coherent and credible foreign policy.

The problem does not lie in who reports to whom, or in the alleged idiosyncracies or turf-consciousness of the players, or in the president's preoccupation with other matters. It lies, rather, in the deep and enduring division within the Republican Party, a division that long predates Ronald Reagan's arrival in Washington.

On the one side are the true believers—principled anti-communist ideologues, including some non-Republicans now labeled "neo-conservatives." On the other side are the commercial and banking interests, whose philosophy was asserted with stunning candor by Citibank's Thomas Theobald: "Who knows what political system works best? All we ask is: can they pay their bills?"

The true believers, to their credit, know what political system works best, and they provide the administration with its tough anti-Soviet rhetoric. They had every reason to count the president in their camp.

But when push comes to shove, the priorities of business prevail, and the ideologues are shunted aside. They still write the speeches, though, which accounts for the widening gap between the president's words and his deeds.

Poland throws the problem into high relief.

Before an international audience of tens of millions, the president's speechwriters promised stronger sanctions against the Soviets if the repression in Poland were not alleviated. The repression intensified, but the bankers persuaded the president to cover Poland's debt without declaring default. Default, they warned, would disrupt the international banking system.

The Chamber of Commerce has now weighed in to protect the Siberian natural gas pipeline, which, according to Chamber President Richard Leshner, would give Western Europe "a degree of leverage over the Soviets rather than vice versa"—a fact the obtuse Russians have apparently overlooked in their eagerness to be ensnared in our web of détente. To cripple the pipeline and deny the Soviets hard currency earnings (with which to buy Western technology) would represent, in Leshner's shocked words, "a strategy of economic warfare."

Leshner would exempt European companies operating with U.S. licenses from the sanctions imposed by the president, lest we worsen "our already poor international reputation for commercial reliability." Pepsico Chairman Donald Kendall—who previously expressed admiration for Leonid Brezhnev's devotion to peace—agrees: "I certainly question whether the [U.S.] government should put its long arm into another sovereign country and force it to accept these sanctions."

The long arm of multinational corporations and banking institutions is another matter. The flow of Western credits to Poland, accompanied by demands for food price hikes and other austerity measures, was perfectly permissible. So was the flow of credits, grain and technology to the Soviet Union, alleviating its economic problems and permitting the diversion of its resources into military purposes. What is objectionable is government intervention to achieve such foreign policy goals as enforced adherence to human rights agreements.

Simply put, the business of America is business—not only at home but throughout the world—and what's good for the bankers is good for the Poles. Above all, we must safeguard our reputation for "commercial reliability"—even as Lech Walesa remains imprisoned, thousands of Solidarity members huddle in concentration camps, and the church itself is threatened. So speak the Theobalds, the Leshners and the Kendalls.

They practice a pseudo-pragmatism that perverts, even as it seems to draw upon, the American tradition. The business ethos, applied to foreign policy, favors cost-benefit analyses done on a case-by-case basis. This method obscures the large and interwoven issues that confront us.

It is plausible to argue that calling in the Polish debt would disrupt international banking (more likely, it would embarrass the bankers by forcing them to switch loans now listed as assets into the liabilities column). It is also plausible to argue that American farmers would be hurt more than the Soviets by a grain embargo (though this assumes, and thus ensures, that we are powerless to discourage other nations from rescuing the Soviets).

But there are questions that cannot be answered by bookkeepers. If our bankers and farmers have become hostages of the Soviet bloc—the reverse of what détente was supposed to accomplish—should we not move urgently to extricate ourselves from this situation, or should we continue down the road to increasing dependence? Can we ex-

tricate ourselves painlessly, or is there a price to be paid for a misbegotten policy? If we eschew "economic warfare," what kind of war do we want, and whom will we send to fight it? Or do we conclude that we have nothing worth fighting for, that between totalitarianism and democracy no fundamental values are at stake—that, as Theobald suggests, political systems, like capital, are fungible?

Without squarely facing these issues, which transcend business calculations, we will not persuade our allies of our capacity to lead. The message we are now sending to our allies, and to the Soviets, is that we are unwilling to endure sacrifice or inconvenience to restrain Soviet lawlessness. The Republican administration's foreign policy lacks cogency because the business interests it disproportionately represents constitute the soft underbelly of freedom.●

THE PRESIDENT'S NOMINEE TO THE LEGAL SERVICES CORPORATION BOARD: A REVEALING LETTER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. FRANK. Mr. Speaker, I have witnessed with great alarm the President's continued attempts to undermine the very successful Legal Services Corporation, attempts which have been resoundingly rejected by this House. I have been particularly disturbed recently by the process by which the President has nominated new members of the Board of Directors of the Corporation—filing these nominations as recess appointments instead of asking for immediate Senate review. But even more distressing is the record of at least one of these nominees, George Paras of California. In a letter to a former judicial colleague cited in a recent edition of the St. Louis Post-Dispatch, Mr. Paras is quoted as accusing his colleague of being a professional Mexican rather than a lawyer. In defending this obnoxious remark, Paras stated:

You know, there are such things as professional blacks, or professional Greeks, professional Dagos, professional Jews—people who put their ethnic origin ahead of everything else.

I am shocked by the nature of these statements. Coming from a person who is being nominated to serve on a board, one of whose functions is to protect the legal rights of minorities and poor people, it is clear that Mr. Paras is ill-suited to serve in that capacity. It is one thing to have honest differences on the best method to deliver legal service to the Nation's poor. But it is quite another matter to nominate a person with a clear intolerance for anyone who takes his or her ethnic heritage seriously. The President should withdraw Mr. Paras' nomination at once.

An excerpt from the Post-Dispatch article follows:

George E. Paras, a former California appeals court judge, said in an interview that he had initially opposed government involvement in legal services.

He said when he was a young lawyer, the bar in Sacramento provided legal services for the poor without government assistance. He said he would prefer that approach, but added, "I just don't think you could go back to that once the government begins paying for things like that."

Paras recently has been criticized for a letter to a former colleague on the appeals court, Cruz Reynoso, opposing Reynoso's elevation to the state supreme court. In the letter, Paras said Reynoso's social views were similar to those "first proclaimed by Karl Marx."

"Your problem," Paras wrote Reynoso, "is that you feel it is your obligation to be a professional Mexican rather than a lawyer. Thus you must remain true to the ideals consistently tossed about by the leaders of the so-called Mexican movement..."

"You must ever champion the 'oppressed,' meaning those who so designate themselves, such as criminals, handicapped, welfare recipients, demonstrators, 'minorities,' and miscellaneous other have-nots."

Paras defended the letter in a telephone interview. "You know," he said, "there are such things as professional blacks, or professional Greeks, professional Dagos, professional Jews—people who put their ethnic origin ahead of everything else. That's what I meant."

Paras also opposed affirmative action programs in an appeals court opinion declaring illegal an admissions policy favoring minorities at the Law School of the University of California at Davis.●

REAGAN ADMINISTRATION'S PROPOSED CUTS IN STUDENT FINANCIAL AID

HON. ROBERT A. YOUNG

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. YOUNG of Missouri. Mr. Speaker, this past Monday was dubbed "National Student Lobby Day." Over 5,000 college students from throughout the country came to Washington to ask Congress to oppose the student financial aid cuts which have been proposed by the Reagan administration. This did not resemble a protest rally of the 1960's; it was a genuine appeal for help.

Student financial aid suffered heavy losses last year as a result of the Budget Reconciliation Act. Deeper cuts could result in the erosion of student loans and grants. The Department of Education has estimated that the administration's proposed cuts would reduce the number of students eligible for student financial aid by 2.9 million. My State, Missouri, could lose as much as \$31,578,420 in student aid, which translates into a loss of 45,115 student awards, if the proposed reductions in the Pell grant and campus-

based programs are enacted. And these figures do not even reflect cuts in the guaranteed student loan program.

Soaring tuition costs have made student financial aid more important than ever, and its loss would not only take a heavy toll on students, but on private educational institutions as well. The economy would also feel the effects of the administration's proposed cuts in student aid. With youth unemployment at an alarming rate of 21.7 percent, can we afford to throw these young people out of school and into the job market? An increase of 1 percent in the jobless rate pushes up the cost of unemployment insurance by \$4 billion.

Higher education is more important than ever in our technologically advanced society. We cannot allow it to become dominated by the wealthy elite. Let us take money from the MX missile project and invest it in our future—higher education. I urge my colleagues to join me in opposing the administration's proposed cuts in student financial aid.●

RADIO BROADCASTING TO CUBA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. BROOMFIELD. Mr. Speaker, I wish to affirm my support for the proposed radio broadcasting service to Cuba which is embodied in H.R. 5427. This bill, introduced by request by the esteemed chairman of the Foreign Affairs Committee, CLEMENT ZABLOCKI, would establish what is popularly known as Radio Marti. This service would be distinguished from the present Voice of America service because it would carry specific news about Cuba to Cuba. Voice of America carries general news about the entire world.

Radio Marti would play a similar role to Cuba as Radio Free Europe and Radio Liberty play for the Communist European bloc. It would enable the oppressed people of Cuba to hear directly what their Government is doing not only to them, but to millions of people worldwide. It would let the uncensored truth about Cuban activities reach the Cuban people. With this service in operation, no longer could Castro cover up the number of Cubans who have died fighting in Angola, Ethiopia, or other parts of the world. The Cuban role in Central American and Caribbean insurrection could be highlighted. The manifest failure of the Communist economy in Cuba would be exposed. In short, the Cuban people would be able to learn the facts surrounding their own situation.

With Radio Marti on the air, Castro's lies will no longer be the major source of news for the masses in Cuba. The people will be able to compare the rhetoric coming out of Havana with the news from abroad. In conjunction with firsthand information told to them by their friends and relatives living outside of Cuba, the people of Cuba will then be able to truly judge Cuban events and comprehend Castro's efforts to oppress the Cuban people and subvert his neighbors.●

EL SALVADOR: THE OTHER SIDE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. FIELDS. Mr. Speaker, it is imperative that the Members of this body become aware of the flaming discrepancies and the slanted reporting practices of the American press on the crisis in El Salvador.

The following article from Human Events depicts one journalist's onsite experiences in El Salvador with the Salvadoran Army. While most liberal reporters chose to sympathize with the leftist cause and consequently report only the guerrilla position in this civil strife, Mr. Kelly strives to find the truth and explains the other side: The role the El Salvadoran Army plays in this struggle against Marxist expansionism.

I commend my colleagues' attention to this enlightening article which sheds new light on the situation in El Salvador.

EL SALVADOR: THE OTHER SIDE

Sheldon Kelly is an American Journalist who has been to El Salvador twice in the last few months. During both visits he was approached by sympathizers of the Marxist guerrillas. Speaking fluent English, one of them said, "I can help you. I can show you around the countryside."

Kelly, who has written for Harper's, Life, and The Reader's Digest, didn't want that kind of help. Nevertheless, he was impressed. "They have a way of reaching journalists," he told us. "They seem to know who comes in and when." And because Kelly was a journalist, "they immediately thought I was naturally pro-guerrilla."

Indeed, many of our major newspapers and news magazines have carried interviews with guerrillas who wanted to give "their side" of the story about the war in El Salvador. But Kelly, who was on assignment for Time-Life, Inc., went down to El Salvador to get the "other side" of the story—that of the Salvadoran Army.

That Army has been portrayed in the American press as demoralized, incompetent and ruthless. Kelly said the opposite is the case.

Last December he traveled on patrol with the American-trained Atlacatl battalion of the Salvadoran Army. In February he was with the Army when it conducted a successful offensive against the guerrillas near the city of Usulután.

Speaking with a group of journalists, including a reporter for Human Events, Kelly said that the Salvadoran Army has gotten a bum rap from the U.S. media. Contrary to news reports, he found that the Army enjoyed peasant support and was restrained in its use of firepower. The troops are highly motivated and want to defend their country, he said, but they could use more assistance in the areas of communications, intelligence gathering and medical supplies.

Kelly had harsh words for those reporters in San Salvador who have been on "guided tours" with the guerrillas but have not been on patrol with the Army. He said they are providing the American people with a false and distorted view of the war. He said the guerrillas have been portrayed as Robin Hoods when, in fact, they are guilty of terrorizing the peasants and committing horrible atrocities and economic sabotage.

He said he was told of one soldier whose head, arms and legs were amputated by the guerrillas. What was left of the body was hoisted up on a bamboo pole and the word "pig," in Spanish, was written on a sign and hung over it.

Kelly was with the Army when it overran a guerrilla camp south of the city of Usulután. The guerrillas didn't put up much of a fight, he said. They fled, taking some peasants with them. But many peasants, he said, greeted soldiers as liberators.

Ironically, just one month before this offensive, Institute for Policy Studies associate fellow John Dinges was reporting in the Washington Post that the "apparently secure position" of that same guerrilla camp "demonstrates the Salvadoran Army's scant success in preventing the guerrillas from holding territory or their expansion into new areas of the country."

Dinges also reported that the guerrillas had set up a school in the camp. What he didn't report, according to Kelly, was that the guerrillas had destroyed a government school not very far away. Kelly visited the remains of the school, and by interviewing peasants in the area discovered that the guerrillas had killed a professor and three of his students. "The rest of the students had been intimidated into joining the guerrillas," Kelly told us.

Moreover, while Dinges quoted a guerrilla commander as saying that Army soldiers had engaged in "the wholesale killing of noncombatant peasants in the guerrilla-controlled areas," Kelly said that after the guerrillas were chased south, the Army did not call for artillery strikes or air support, fearing there would be civilian casualties.

Kelly interviewed many peasants and a captured guerrilla who provided an insight into how these "guerrilla-controlled areas" came into existence. "Everything was fine until the priest came," Kelly quoted one peasant as saying. "He told us that we were poor, and that we were hurting and that people would come and help us. They [the guerrillas] came and built a big school." The peasant said that they were told by the priest that if they left the area they would be killed by government forces.

Fighting near the city of Usulután was very much in the news in February when reports about a "battle for control" of the Littoral highway surfaced. Film and photos of guerrillas actually guarding the highway appeared almost everywhere. One armed guerrilla, who was wearing a bandana and a hat, was seen by readers of the Washington Post, Time magazine, the New York Times, and other publications.

But Kelly traveled that highway and found that it was under government control.

What happened, he told us, is that for a few hours the guerrillas launched attacks on the highway, burning a few trucks and buses and demonstrating to the press how they collect "war taxes."

Kelly said he was told by military officials and peasants that the guerrilla with the bandana and the hat had been photographed in many different poses. "Each photo was an exclusive," Kelly joked.

Indeed, the United Press International wire service carried two different photographs of that same guerrilla. One showed him standing in front of a burning government truck. Another showed him in front of a line of trucks and cars "on the second most important highway in the country to collect 'war taxes.'"

In reporting on how the guerrillas collected these "war taxes," Washington Post correspondent Christopher Dickey observed: "A bus full of peasants stopped at the guerrillas' signal. A couple of the insurgents walked beneath the open windows. Some passengers, and the driver, threw coins and small bills."

"And if there is contribution? 'We just let them go,' said one of the guerrillas."

Kelly laughed at such a report. "Now you know and I know, and every damn journalist who has any sense knows, that when the press isn't there, that isn't how they go about it," he told us. He said he was told by peasants that the guerrillas collect their "war taxes" by forcing people off the buses and trucks and frisking them.

Although the guerrillas have learned how to work with the foreign press, Kelly said the Army views most reporters, especially those who have traveled with the guerrillas, almost as if they were enemies. With only two officers dealing with the press, Kelly said, the Army is also at a disadvantage in handling requests and questions from the 40 to 70 foreign correspondents in San Salvador.

Kelly, who has military experience, contacted the Salvadoran Embassy in Washington and arranged for a briefing on the military situation before he made his trip. However, many reporters, he said, simply arrive in the country without any knowledge of the situation and expect the red-carpet treatment.

He said he met one foreign journalist who didn't even know where El Salvador was located. Another did most of his reporting from a room in a luxury hotel. This reporter, who files two stories each day, read a number of Spanish language newspapers and then "put together a compilation of what he thought was the truth."

Kelly said one of the big-name American reporters in El Salvador was openly contemptuous of the Salvadoran government but at the same time complained that he had not been "given access."

Kelly doubts whether the military can work with such reporters, but he thinks it's worth a try. He told us that he has recommended to the Salvadoran government that it make an effort to take more journalists out into the field so they can get a better idea of what the military situation is really like. Because biased and distorted media coverage can jeopardize continued American support of the Salvadoran government, Kelly said military officials in the country are finally coming to the realization that they could lose the war not on the battlefield but here in the U.S.

On March 2 Kelly will testify on the situation in El Salvador before the House Subcommittee on Inter-American Affairs.●

**WALTER J. MAHONEY: A MAN
FOR ALL SEASONS**

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. KEMP. Mr. Speaker, I would like to bring to my colleagues attention an editorial from the March 2 Buffalo Evening News. It eulogizes a man who's life and achievements should serve as an example for every individual who serves our Nation.

Like the great Sir Thomas More, Walter Mahoney's resolve to be a dedicated family man, and a public servant of conscience and integrity, gained him the great respect of all who knew him. Today that dedication is reflected in his loving family: his wife, Betty; his children, Walter, Jr., Moria, Ellen, and Eileen; his 7 grandchildren; 4 stepdaughters; and 10 stepgrandchildren.

It is with great respect for a wonderful man, a great leader, and many thanks on my behalf, and that of the people of New York State, that I commend this editorial to my colleagues.

WALTER J. MAHONEY

Walter J. Mahoney served this region and this state with great skill and dedication through 40 years of public life, leaving his stamp on both the legislative and judicial branches of state government and on countless projects of benefit to Buffalo and Western New York.

He served as state senator from Buffalo for 28 years, 10 of them as majority leader. It was during this latter period that Mr. Mahoney became a formidable force in state political life, second in power only to the governor. He was, indeed, a favorite for the gubernatorial nomination in 1958 until Nelson Rockefeller appeared on the scene and swept away the prize.

In retrospect, the Mahoney years a majority leader were golden years for this area, when Buffalo had its "man in Albany" to fight for local projects. Mr. Mahoney took part in many of the major developments of those years—the absorption of the private University of Buffalo into the State University system, the state decision to build the Amherst campus, the expansion of Buffalo State College and Roswell Park Memorial Institute, the building of the Donovan State Office Building and the West Seneca Development Center and the creation of the Niagara Frontier Port Authority, a forerunner of the present Niagara Frontier Transportation Authority.

Buffalo's power in Albany waned when Mr. Mahoney was defeated in the LBJ landslide in 1964, although Sen. Earl W. Brydges of Niagara Falls ably served the region's interests as majority leader from 1966 until 1973. Today, the region lacks that kind of potent representation.

In 1968, Mr. Mahoney began a whole new career with his election to the State Supreme Court. There had been some misgivings as to whether his long involvement in politics might affect his judicial performance, but his deep insight and long experience with public issues combined to make him an outstanding judge. For three years, he served with distinction as an associate judge of the Appellate Division.

EXTENSIONS OF REMARKS

While successful in this second career, Mr. Mahoney made his most important contributions in Albany. He served under five governors and proved himself able to lead by consensus and to work with members of both parties. Even his political adversaries held him in high personal esteem for the rare quality of his leadership. His death, at 73, will be mourned by many friends and associates throughout the state, but especially by those in his native Buffalo.●

**SUPPORT PRESIDENT REAGAN'S
PROGRAM**

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues a thought provoking editorial by the Camarillo Daily News, supporting President Reagan's program.

CHANGE FOR THE BETTER

President Reagan went up to Capitol Hill last week to present to the Congress and the nation his wish list for the next few years.

It was quite a list, coated with a slick presentation and numerous flowery phrases about the greatness of America. He also admitted we are in a recession and interest rates and unemployment are still too high.

Through it all, though, one could detect Reagan is still on the main course he promised when he campaigned for the job two years ago—stronger national defense, less and less government, fewer handouts and greater state involvement. Oh, yes, and lower taxes.

He said he intends to eliminate the Departments of Energy and Education and cut the federal payroll by 75,000 in the next few years.

This is a tall order, but his biggest fight will be in the area of returning a number of Washington-based aid programs back to the states. We can already hear the doubters who will claim state involvement will involve fraud, inefficiencies and inequalities. Of course, they will conveniently overlook the waste and inefficiency involved in sending our tax dollars to Washington to accomplish programs that state and local agencies could provide for less money.

Truly, Reagan charted a new course. He presented us all with a real challenge. It should be obvious that the course taken the past decade hasn't worked. America is tired of high taxes, big government and huge taxes.

The voters were obviously fed up with these things or they wouldn't have elected Reagan.

While some of Reagan's proposals may arouse skepticism even from some Republicans, any change can't help but be for the better.●

PHILIPPINE DOG BUTCHERS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. PAUL. Mr. Speaker, the Enquirer's shocking report 3 weeks ago on the wholesale torture, mutilation, and slaughter of helpless dogs in the Philippine marketplaces is enough to make a civilized American sick to his stomach.

We cannot, I suppose, argue with the oriental culture, in which dogs are considered as an edible meat—but we certainly can condemn the barbaric treatment of those animals awaiting slaughter.

Imagine how quickly the various Federal agencies would swoop down with the full might of the U.S. bureaucracy on any American slaughterhouse that followed practices even remotely resembling those of the Philippine dog butchers.

Now, I certainly am not going to try to tell the Philippine Government how to handle its own internal affairs, nor do I believe it is the place of Congress to do so. In any event, I am sure that would be a futile gesture.

On the other hand, I do not believe the American taxpayers will want their hard-earned dollars squandered on economic assistance to a foreign government that permits such outrages to continue.

Under the best of circumstances, I am bitterly opposed to the level of foreign aid maintained by the U.S. Government these last 35 years.

Since the end of World War II, the United States has contributed a staggering total of \$2,995,734,000 in foreign aid to the Government of the Philippines.

And of that total, \$345.6 million—\$24 million during the last fiscal year alone—was paid under the food-for-peace program. Food for peace to a country that permits barbarous practices such as these? I think that is ironic, to say the least, particularly so since the tortured dogs were used, not for nourishment, but for cocktail snacks at parties.

How do the American people feel about such activities? I think the more than 250,000 letters received by the Enquirer in the first few weeks after its report appeared answer that question more than adequately.

Therefore, in keeping with my own objections to the massive flow of U.S. foreign aid and in response to the outrage of Americans everywhere to the barbarous goings-on in the Philippine marketplaces, I am introducing today legislation calling for an immediate and total cutoff of all economic aid to that country.●

CONGRESSIONAL VIGIL ON SOVIET JEWRY

SPEECH OF

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1982

● Mr. GINGRICH. Mr. Speaker, I am happy to take part in this year's "Call to Conscience Vigil" for Soviet Jews.

Life in the U.S.S.R. for Jews has become more and more unbearable. Life is even worse for those Jews who express a wish to leave the country. They are systematically harassed and often lose their jobs and are forced to hide from the authorities.

The number of Soviet Jews who have been denied the right to emigrate to a free society is almost impossible to count. It is my hope that our effort will help many of the families and individuals in the Soviet Union who have been denied this right.

As part of the effort to aid these persecuted people, I'm sponsoring the refusenik, Alexander Kushner. Alexander has been trying to join his mother, brother, and grandparents in Israel since 1976. As of December 1980, he had been refused permission five times to leave the Soviet Union. Alexander cannot find suitable employment despite being a skilled construction engineer. He was recently called up for reserve military duty even though he served in the Soviet Navy from 1967 to 1970. Alexander's mother is asking support for her son.

It is my hope that this vigil and the letter I and my colleagues are sending to the President can have some positive effect on Soviet human rights policy. I commend the gentleman from New York, Mr. LENT, for chairing this year's Congressional Call to Conscience Vigil.●

THE LIFELONG LEARNING INSTITUTE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. GILMAN. Mr. Speaker, I take this opportunity to inform my colleagues of an innovative and successful program which is run by the Rockland Community College Senior Citizens Club—the Lifelong Learning Institute. While many senior citizens clubs meet for social stimulation, this group aims to stimulate mental activities.

The Lifelong Learning Institute began when Mr. Otto Hutt, chairman to the advisory board of the Rockland County Office on Aging, and director of some 14 clubs in our congressional district, went to the Rockland Commu-

nity College requesting a room to use for the formation of a senior club devoted only to education. The club took root in the spring of 1980, with only a handful of members, to discuss issues and concerns. The group received great support from the college faculty, and, realizing the potential offerings of senior citizens, began to run minicourses. The courses are so successful that they are now recognized by the State of New York with financial support to the college. The Rockland Community Center Senior Citizens Club has about 200 members, who do not work for pay but for personal fulfillment. The club charges dues of \$1 per year, in return for one free minicourse each year. The Lifelong Learning Institute is currently offering four minicourses, in current events, religions of the world, understanding aging, and literature. To my knowledge, this is the only such club in the State of New York, and may very well be the only one throughout our Nation.

The senior citizens club of the Rockland Community College has set an important example by creating the Lifelong Learning Institute. This group of older Americans has reinforced for us the realization that our senior citizens have significant contributions to offer. The club has given its members an opportunity to feel proud, to stand tall, and to offer their knowledge and skills to each other, and to their communities.

It is my hope that the establishment of this institution will begin a trend in our Nation, to bring the senior citizens of the United States back into the mainstream. Accordingly, I urge my colleagues to encourage similar institutions in their constituencies.●

TRIBUTE TO CONGRESSMAN GEORGE DANIELSON

HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1982

● Mr. RAILSBACK. Mr. Speaker, I was surprised, like many of my colleagues, to learn 2 weeks ago that we will be losing one of our most able Members, Congressman GEORGE DANIELSON of California. However, we are losing him to another very important post—as a judge of the court of appeals in his home State. I am certain he will take to that job the same thoughtfulness and responsibility he exhibited in his work in Congress.

In his 12 years in Congress, Congressman DANIELSON has been a hard worker and achieved a leadership role. In his work on the Judiciary Committee, where I have been pleased to serve with him, he has achieved an impressive record. He is to be commended for

his work on regulatory reform, where he was one of the early advocates of doing something to overhaul the Federal Government's regulatory system. He has worked in the areas of the administration of justice and copyright laws.

I want to congratulate Congressman DANIELSON on his appointment to the California Court of Appeals. His contributions will be missed in Congress.●

IDA NUDEL, PRISONER OF CONSCIENCE

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 2, 1982

● Mr. GUARINI. Mr. Speaker, I appreciate this opportunity to join with Representative LENT and my other distinguished colleagues to express our concern and dismay about the plight of Ida Nudel as we commemorate March 2 as the World Day of Protest on her behalf.

Ida Nudel was imprisoned for helping other Jewish prisoners of conscience to emigrate to Israel from the Soviet Union. Once again, through the example of Ida Nudel, we can see the persecution and suffering of the Jew who wishes to uphold his religion or emigrate to Israel, rights supposedly granted its citizens by signatories of the Helsinki accords.

Ida Nudel's refusal to accept official Soviet policies against religious freedom and emigration is an example of tremendous courage. For this, she has earned the affectionate title of "Guardian Angel for Soviet Prisoners of Conscience." Also for this, she has spent the last 4 years in Soviet jail in Siberia.

I join with my colleagues in calling on the Soviet Union to allow an exit visa for Ida Nudel when she is released from prison on March 20 so that she can be reunited with her family. I also call on the Soviet Union to respect the rights of its people. We must work to remove the reasons for Ida Nudel's imprisonment and banishment, while recognizing that the actions of Ida Nudel stand as a testimony to courage and conviction.●

THE HELL WITH THE LAW OF THE SEA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. FIELDS. Mr. Speaker, the Law of the Sea Treaty, as currently drafted, does not reflect U.S. interests. The treaty amounts to a sell-off of U.S.

concerns in favor of placating Third World countries. The Law of the Sea Treaty is inequitable and is antithetical to U.S. economic and national security interests, particularly those relating to deep seabed mining.

These are some of the points emphasized in a recent article by James J. Kilpatrick appropriately entitled "The Hell with the Law of the Sea." Kilpatrick, in no uncertain terms, refers to the draft convention of the LOS Treaty as "spinach" and as "long winded lunacy." Even though Kilpatrick's references to the LOS Treaty appear harsh and stark, they are warranted: This treaty is not in the best interests of the United States and should be rejected by the U.S. Senate.

Although President Reagan recently announced that the United States would resume our participation in the law of the sea negotiations, it is clear that the Reagan administration has no intention of accepting the treaty as currently drafted. Based on Kilpatrick's analysis, this is certainly the correct outlook on the LOS Treaty. I encourage my colleagues to review the revealing conclusion of this Kilpatrick article.

[The Washington Post, Feb. 19, 1982]

THE HELL WITH THE LAW OF THE SEA

(By James J. Kilpatrick)

The papers on Jan. 30 were full of Gen. Dozier's release and Franklin Roosevelt's centennial, with the result that no one paid much attention to a lamentable announcement from the White House. The announcement was to this effect: the United States will resume its participation in negotiating a treaty on the Law of the Sea.

The president made it clear—as clear as the opaque amenities of diplomacy will permit—that we probably will not be participating much longer. Ambassador James L. Malone will go to the United Nations on March 8 for sessions that are scheduled to run through April 30, but unless the principal sponsors of this longwinded lunacy are prepared to accept drastic revisions, Malone might as well catch the next shuttle home.

Maybe Reagan should be commended for his patience and praised for his restraint. It is hard to say. He might better have cleared the air with a thunderclap appraisal of the pending draft convention: I say it's spinach, the president might have said, and I say the hell with it.

The draft convention is indeed spinach. It is the indigestible product of 19 years of cud-chewing by the bovine idealists and predatory beasts that roam the pastures of Geneva and New York. Their proposed treaty, as one commentator has observed, contemplates the greatest territorial grab since Genghis Khan set loose his Tatar hordes. The U.S. Senate would agree to universal abortion before it would ratify this treaty in its present form.

Have a look. The draft is composed of 17 parts, 320 articles and 8 annexes. The text runs to 175 pages of single-spaced typescript. A preamble echoes the platitudes of the old World Federalists. The sponsors want only to contribute to the realization of "a just and equitable international economic order."

Just? Equitable? Come now. The treaty would create an International Sea-Bed Au-

thority, based in Jamaica, with title to all the sea-beds of the planet Earth. The Authority would have an Assembly, a Council and a Secretariat; there also would be a new International Tribunal on Law of the Sea.

Every member nation would belong to the Assembly. Every nation would have one vote. The United States would have the same voice accorded Qatar, Sri Lanka and the Solomon Islands. The Assembly would be the "supreme organ" of the Authority, but for everyday purposes the Council would be running the store.

Curious thing about the Council. It would have 36 members. The Soviet bloc would be guaranteed at least three of these seats. Can you guess how many would be guaranteed to the United States? Try to guess. Close your eyes. Think hard. Right! The answer is that no seat would be guaranteed to the United States. But who would pay the largest share of the costs? Right again! Uncle Chump! Contributions would be "based upon the scale used for the regular budget of the United Nations."

Under this treaty, an "Enterprise" would be created. Like everything else, the Enterprise would benefit all mankind, but it would especially benefit all mankind of the Third World nations. It would benefit them in this fashion, an American mining consortium would raise millions of dollars in capital, apply for permission to explore a couple of likely sites, and perhaps eventually get the word to go ahead. If the exploration proved fruitful, the Enterprise would appropriate the better of the two sites, along with all the technology the consortium had developed.

In the next step, the miner would have to get a production authorization, fixing limits on the kind and volume of minerals that could be brought to the surface—but never mind. The treaty goes on and on. If Lewis Carroll had written Alice in the Sea-Bed, he could not have contrived a more preposterous scenario. Only 60 signatories are required for ratification. Unless the Senate has lost its collective mind, the United States will not be among them. ●

MORAL EDUCATION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SHUMWAY. Mr. Speaker, an increasing number of educators and sociologists express concern about the basic amorality of today's young people. The existence of this amorality is evidenced by an increase in cheating in school—and in life after school—and also in the burgeoning promiscuity that destroys so many young lives through teenage pregnancy, abortion, divorce, and suicide. It would be too much to link this growing problem to the removal of prayer from the public schools, but at the same time, it is not unreasonable to expect young people to draw conclusions about the value of religion and traditional morality from this very conscious and highly official decision to exclude them from the major societally imposed activity, school.

Terry Eastland has written very perceptively in this area over the years. In the Wall Street Journal recently, he published an article discussing this modern morality of dilemmas. I think my colleagues will find his comments interesting, and I am inserting the column at this point in the RECORD:

[From the Wall Street Journal, Feb. 22, 1982]

TEACHING MORALITY IN THE PUBLIC SCHOOLS

(By Terry Eastland)

It has been 20 years since the Supreme Court declared in *Engel vs. Vitale* that state-sponsored public school prayer violates the Constitution. The decision sparked immediate controversy because it was hardly obvious how public school prayer could constitute an establishment of religion when the tax-paid presence of chaplains in Congress or the state-sponsored holiday of Thanksgiving, to cite two conspicuous examples, did not.

These apparent contradictions still bother many people who would like to see prayer returned to the public schools. Yet today there is something altogether new in the brief favoring school prayer.

Proponents of school prayer say that crime, racial conflict, drug abuse and sexual promiscuity, among other social problems, have intensified since the *Engel* decision. They claim that these ills would be ameliorated if prayer were now returned to the public schools.

Opponents of school prayer typically deride the idea that prayer might be thus efficacious. But few people dismiss the reality of the problems cited, and there is substantial evidence to show that indeed they have intensified over the past two decades.

AN ABSENCE IN YOUNG PEOPLE

Sociologists may speculate about the causes of these problems, but fundamentally they result from a widespread absence in young people of a basic morality. This morality consists of, among other things, honesty, fairness, respect for law, courage, diligence and respect for others. These qualities are commonly regarded as part of the Judeo-Christian ethic, but not its exclusive property. They are also compatible with other religions and with what philosophers in the West have often called "reason."

This basic morality has an intellectual aspect; justifications for moral attitudes and action are important. But equally, if not more important is the affective side. People are supposed to be raised not simply to reject wrongdoing as an intellectual matter but also to be strongly disposed against it, even to hate it. As Aristotle observed, a morally educated person will find virtue agreeable and vice unpleasant.

For more than 2,000 years Western nations have transmitted this basic morality to each new generation. The means of propagation have typically been the family, the church and the schools. In the U.S., the public schools have been assigned the major share of the responsibility. But in the past two decades, the schools increasingly have failed to do this job.

School prayer proponents are right to link today's social ills with the court's prohibition on prayer and also, in 1963, on Bible readings. These exercises promoted piety but also the basic morality, and when they were banned, moral education necessarily suffered.

Yet, as bad a loss as the prohibition on religious exercises was, from the perspective of instilling the basic morality, it was not as bad as it could have been. The court did not, contrary to all that has been imputed to it in recent years, condemn either the basic morality or its inculcation in students.

To be sure, in the wake of these decisions there were many school leaders unable to make a distinction between religion and morality. Because they had no idea of how moral education might be taught in the absence of a prayer or a devotional, they frequently did nothing.

But the court did not really require that they do nothing. The prayer decisions reflected the idea that secular education can be distinguished from, and taught without reference to, religion. Educators and sociologists, not the court, introduced the more sweeping idea that the public schools should teach everything but religion and morality. Not surprisingly, though there are a few heartening instances of schools that do transmit the basic morality, the craze in the schools today is a type of "moral education" that is unfortunately empty of substantive morality.

Common to the various "moral education" approaches offered today is the idea that there is nothing right or wrong and that to teach any substantive ethical precept or idea is to "indoctrinate" students. In one approach, students are invited to "clarify" their own values; the focus is on "rationality," "creativity," "autonomy" and "process." In another approach, students are asked to dwell on ethical dilemmas such as when lying can be justified, or on public policy questions such as the morality of racial quotas.

The problems with these approaches are obvious to anyone raised in the basic morality. In the values approach, no one need fear a teacher's judgment if his values are wrong, because there are no wrong values (other than, of course, the value of opposing "values" education). Upon learning that all choices are equally valid, a student will be educated into skepticism about morality, fertile soil for wrong action.

As for thinking about ethical dilemmas and public policy questions, that is important business, but it should not be the central task of moral education in the public schools. As philosopher Andrew Oldenquist has pointed out, "Teen-agers and adults can benefit from reasoning about dilemmas and hard cases only if they have accepted and internalized a basic core of principles." One of the dangers of asking students to focus on "dilemmas" is that they can easily think that these kinds of issues lie at the heart of a moral life.

Today's "moral education" fails in the most critical way because it addresses the intellect but not the emotions. No one is taught to dislike and certainly not to hate anything. If young Americans are shaped, they are unfortunately shaped to be moral neutrals. The inculcation of the basic morality in the minds and hearts of young people, as given in American education since the 17th Century, has for the most part ceased to be in the latter part of the 20th.

Leaving aside the constitutional problems raised by the question of returning religious exercises to the schools, prayer and devotionals could help repair the situation—but only so much. It would be an interesting schizophrenia—an honoring of all values indeed—for students to pray at the start of the school day and then commence a cool, rational clarifying of their values.

Obviously, given the "values-free" state of much of public education today, far more than having a daily prayer is needed. Everyone interested in the public schools should begin reviewing what is taught or failing to be taught in their schools, with a view toward making sure that the basic morality is recovered and instilled in the latest generation of students. Concerned teachers can make a difference here, but often the job will fall to parents, who are usually the least susceptible to educational fads like "values clarification."

NO RESPECT FOR OTHERS

People willing to undertake this task should note that they have encouragement from Chief Justice Warren Burger. "We have virtually eliminated from public schools . . . any effort to teach values of integrity, truth, personal accountability and respect for others' rights," the Chief Justice said in a speech last year. It is just this task of basic moral education that, looking at recent crime figures, Justice Burger is now vigorously endorsing.

Whether the schools' adoption of a sound, moral education would fully satisfy those who want prayer returned to the public schools is doubtful. And whether the schools can confidently teach the basic morality—what C. S. Lewis once called the "Tao"—without also mentioning religion is unclear; we have yet to cultivate in this country, at least on a broad scale, a means of teaching the Judeo-Christian ethic without also frequently bringing up its religious roots.

What should be abundantly clear, however, is that until the public schools once again become institutions that confidently train the intellect and emotions of young people according to the basic morality, they will continue to lose students to private and parochial schools, one of whose major attractions is that they not only aim to produce students of good character, but also actually do so.

Meanwhile, those who ignore the need for character education and see every mention of virtue as a threat to liberty should consider that one of the most free-thinking Americans thought that a rigorous moral education and the building of character were essential to producing good citizens. It is hard to see how many of today's public schools could even begin to produce a Thomas Jefferson.●

CONGRESSMAN GEORGE DANIELSON

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1982

● Mr. COELHO. Mr. Speaker, I would like to join my friends and colleagues in honoring GEORGE DANIELSON for his service in the Congress.

GEORGE DANIELSON's determination and perseverance have provided as inspiration to us all. As chairman of the Judiciary Subcommittee on Administrative Law, he has worked diligently to improve the day-to-day functioning of the Government as well as making the Government more responsive. GEORGE has effectively and honorably

served his constituents and the Nation. He will be missed.

As a colleague in the House, as a fellow member of the California delegation and as a friend, I thank GEORGE for his contributions. I wish him the best of luck and am delighted he will be continuing his record of public service on the California court of appeals.●

SUPPORT SOUGHT FOR PRESIDENT'S PROGRAM

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. HUBBARD. Mr. Speaker, Mr. Charles F. Latham, an engineer in Hopkinsville, Ky., has written me a very timely and thoughtful letter urging that the President's economic recovery program not be abandoned. I believe Mr. Latham's letter is one which should be shared with my colleagues and I wish to do so at this time. The letter follows:

DEAR CONGRESSMAN HUBBARD: It has become quite disturbing to see so much of the news slanted toward a movement to abandon the President's plan to improve the economy through reduction in Government spending and taxes paid by the people.

The liberal voices of the agencies and the news media do not represent the large group of voters that elected our President and legislators in the last year to change the direction of our country and its economy.

This letter is to reinforce our earlier comments requesting your support of the President's plan, the Economic Recovery Program. All knowledgeable individuals know more time and effort is required to correct the miserable conditions created during the liberal, debt-ridden, past.

Respectfully,

CHARLES F. LATHAM.●

JUDGE BILL SPEER

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. CLAUSEN. Mr. Speaker, when those of us in Congress leave home and come to Washington, we bring with us a storehouse full of wonderful memories of life in our hometown. We are reminded of these memories often by our frequent trips to our congressional districts, but usually the rush of events and many people we see prevents us from reflecting completely on what it all means until we climb aboard for an airplane trip or car ride back to the Nation's Capital. It is on those trips that many of us finally have time to think about who we have seen, and to make notes on what we

have to do. It is also when many of us can open our briefcases and take a close look at our districts' newspapers. In my case, I like to peruse the scores of daily and weekly newspapers from the towns all along California's north coast.

Inevitably, as I read the news and views of the Redwood Empire, my attention is drawn to the "Opinion Page" of the Del Norte Triplicate, which is published in my hometown residence of Crescent City. I can always count on a strong and well-reasoned point of view being expressed by Jim Yarbrough in his editorial. Whether Jim is writing about the state of the national economy or the state of local crab races, he is clear, lucid, and always substantive.

Because of my high respect for Jim, I was especially pleased when I opened the Triplicate of February 13 and found an editorial entitled "Times Have Changed Since He Came Here." Jim had written a column in observance of the retirement of a very close personal friend, Bill Speer of Del Norte County, Calif., a man who was widely respected and honored by the entire community. A man of impeccable integrity who was extremely thorough in any task he undertook, Bill Speer dedicated his professional life to the improvement of the county's legal climate, both as a lawyer and as a judge. He had those great qualities of being fair, firm, and factual in the conduct of his duties. He has the judicial temperament so essential to our judicial system.

But while Bill Speer was a dedicated professional and a perfectionist, he did not let his work consume him. As Jim mentions in his editorial, Bill Speer was an avid golfer and still is an avid storyteller around the local clubhouse. In fact, Bill and his devoted wife Yvonne have been recognized as two of the top golfers in Del Norte County. Bill Speer was also an aviator, and I was privileged to be his flight instructor during the lessons which led to his pilot ratings. His favorite aircraft was a converted BT-13, a plane which gave him and me no end of enjoyment as we flew together over our beautiful northwest corner of northern California. In remembrance of all the good times Bill Speer and I shared, in recognition of all his personal contributions to my own memories of home, and in honor of his service to all the people of Del Norte County, I would like to place in the RECORD the following editorial:

[From the Del Norte Triplicate, Feb. 13, 1982]

TIMES HAVE CHANGED SINCE HE CAME HERE

Changes have indeed been wrought on the local scene since Judge Bill Speer, whose retirement was observed here last weekend, first came to Del Norte county.

The judge himself noted some of these changes at that dinner the local bar associa-

tion sponsored. The court then, he noted, was "really informal, man". In those days, most judges below the superior court level were laymen, many without any training for the job. Since then, state laws have changed and all courts must be under judges who have been trained in the law.

When Speer came to Del Norte, there were but four practicing attorneys in the county. The district attorney, who also dispensed counsel to the board of supervisors, also maintained a private practice on the side. At times it was difficult to distinguish whether he was on county business, criminal or civil, or working for a private client.

Speer was the first county counsel employed to serve the board of supervisors exclusively. But he was also enabled to maintain a private practice on the side and used his private office as the county counsel's office as well. He got the job done but now would be one of the first to concede that life is much more complicated these days.

Now instead of four practicing attorneys in a county of barely over 4,000 people, there are nine in private practice and another six who are on the county payroll, plus another five outside lawyers who are members of the local bar and practice here occasionally. This is in a county now grown to 18,000 souls. Today's numbers include the district attorney, the public defender and, when the job is filled, the county counsel.

Speer's resignation, after some 17 years in both public and private practice, was not sought by him. He would have preferred to continue working. But his health would not permit it.

That doesn't mean he has left the scene. He is still a familiar figure at the golf course, even though he is still unable to play the game he loves so well.

And his wit, as noted at his retirement dinner, is still sharp when he wishes to call upon it. One of his earlier sayings, never used with strangers but pulled out when he wanted to get his licks in, was "Well. What's on your alleged mind?"

On the links, he has another favorite with those who are too meticulous about debris on the putting surface between their ball and the hole. He declares they are removing "imaginary gnat wings".

His golfing friends would sometimes accuse him of arranging his court calendar to accommodate his Wednesday afternoon golf game. And there was some truth in it. But he never shirked his responsibilities. If he had a job to do, he did it.

Sometimes, in fact, he takes his responsibilities too seriously. He loves weekend golfing excursions with his friends. He also loves to organize golf matches, sometimes to the point that those who participate feel they are too well organized—in his favor.

He is also a great non-mechanic. He bought a chain saw once and his wife Yvonne wouldn't let him use it for fear he would come out second best.

One of the better stories about Judge Speer is the one involving Lee Richardson and the gopher killing machine. It seems the judge had read an advertisement offering a device with a money-back guarantee that would eliminate gophers within a radius of several hundred feet. Theoretically, it would send out a signal which interfered with the gopher's sex life and the burrowing pests would fail to reproduce—so finis. After much discussion, he and Richardson went partners. The gadget, which looked like a flying saucer, cost \$750, they shared half and half. It had to be buried just so.

Yvonne didn't know anything about it at first. But the boys around the clubhouse did and everyone had a great time conjecturing upon the impact of the gadget on the gophers' sex life.

Several weeks went by and there seemed to be no diminishing of the gophers around Club Drive. To the contrary, they seemed to flourish. Then Yvonne found out about it and the judge decided it wasn't going to do the job and set out to get his money back.

He wrote letters and made telephone calls to no avail. He may not have mentioned that he was a practicing lawyer. Finally he requested, again apparently without mentioning he was an attorney, the help of a television station's consumer advocate—Action Report. Eventually, he got his money back but not without giving the boys on the golf course something to talk about beside bogies.

Yes, times have changed since Bill Speer came to Del Norte. Bill may not be quite up to getting around the links these days. But he visits the clubhouse every day—after all, this is the golf course he started. He still enjoys watching others play and he uses the practice range, the putting green and may one day soon start calling friends to arrange a game—to Speerize it, as some would say. ●

EQUALIZING THE NATO BURDEN

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mrs. SCHROEDER. Mr. Speaker, today I introduced a House resolution, modeled after Senator Mike Mansfield's S. 300 of August 31, 1966, expressing the sense of the House that we make a substantial reduction of U.S. forces permanently stationed in Europe.

I am seeking cosponsors for this resolution and, in order to provide background information to my colleagues, I have compiled a brief bibliography on U.S. support for NATO:

- (1) "European Security, American Interests, and Alternatives to NATO," Stanley Sloan, CRS/JX 4005 C, January 15, 1978.
- (2) "The Mansfield Proposals To Reduce U.S. Troops in Western Europe, 1966-1973," Edward T. Lampson, CRS, July 21, 1972.
- (3) "Relations With the NATO Allies," Stanley Sloan, CRS, October 27, 1981.
- (4) "The Case Against NATO," George Ott, Washington Monthly, December 1980.
- (5) "Let's Tell Our Allies Uncle Sucker Is Dead," William Greider, Washington Post, July 14, 1981.
- (6) "U.S. Force Structure in NATO: An Alternative," Richard Lawrence and Jeffrey Record, the Brookings Institution, 1974.
- (7) "NATO May Be Dangerous to Our Safety: Western Insecurity," Theodore Draper, the New Republic, March 28, 1981.
- (8) "The NATO Sacred Cow: Still Roaming the Range," E595, February 23, 1981.
- (9) "A Worldwide 'Defense Stamps' Program," E920, March 12, 1981.
- (10) "The NATO Tarbaby," E762, March 2, 1981.
- (11) "The Illusion of American Omnipotence," D. W. Brogan, Harper's magazine,

December 1952, reprinted at E1593, April 6, 1981, and E1627, April 7, 1981.●

GEORGE DANIELSON

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 3, 1982

● Mr. PANETTA. Mr. Speaker, I would like to thank the chairman of the California delegation, DON EDWARDS, for taking this special order, and I would like to join my colleagues in paying tribute to GEORGE DANIELSON as he leaves the Congress to assume his duties as an associate justice of the California Court of Appeals.

It has been a real pleasure to be able to work with GEORGE over the past several years. His legislative skills, as well as his great sense of humor, have made him a valuable and well-liked member of this body. He has been particularly helpful as a member of our delegation, and we will miss him a great deal.

As a long-time member of the Judiciary Committee, GEORGE has been involved in the enactment of many key pieces of legislation, particularly bills involving the ethics of public officials and the integrity of the legislative process in general. He is probably best known for his active and incisive questioning during the impeachment proceedings of President Nixon in 1974. GEORGE's contribution at that time was essential to the smooth and effective working of an extremely difficult and painful process.

Now, GEORGE will have an opportunity to make an even greater contribution to the country, and particularly to the State of California. As a judge on the court of appeals, he will have tremendous responsibility in determining law and in insuring that justice is well served in the Nation's largest State. I wish him the best of luck, and I know all of my colleagues join me in congratulating him on his new post.●

SHRINERS OF NORTH AMERICA

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 23, 1982

● Mr. GILMAN. Mr. Speaker, it is with pride and respect that I rise on this occasion to honor the Shriners of North America. As a member of Cyprus Temple and past president of the Capitol Hill Shrine Club, I am well aware of all of the good work that our Shriners and their hospitals do for crippled children. I want to add my special thanks to the gentleman from Florida (Mr. FUQUA), in whose district

EXTENSIONS OF REMARKS

the newest Shriners hospital for crippled children is being built, for arranging the time on the House floor for this special order.

Mr. Speaker, the Shriners support 18 orthopedic hospitals and 3 burn institutes dedicated to the health of crippled children. There is no work more worthy for our Nation's future than restoring the health to our children.

Shriners hospitals are open to all children regardless of race, religion, national origin, or relation to a Shriner. The only prerequisite is financial need. The Shriners hospitals for crippled children are a source of great pride to our Nation. These men devote their own time and money not only to build these hospitals but to provide entertainment for the children in their hospitals, and assistance to the families. They are a truly dedicated benevolent organization and I am proud to be counted among them.

It is indeed an honor to welcome to Capitol Hill Imperial Sir Randolph R. Thomas, imperial potentate of the Shrine of North America and his divan. They are commended for the years of hard work and the dedication that they and their families have given to achieve this great honor. I know that my colleagues join with me in wishing you and all Shriners continued success in the work of treating crippled children and assisting their families, "until there are no more crippled children anywhere."●

JOE MEIS RETIRES FROM DOD

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. FUQUA. Mr. Speaker, a dedicated employee of the Department of Defense has announced his retirement and I thought it appropriate to mention his years of dedicated service.

A former colleague of mine, however, had a much closer working relationship with Joe F. Meis than I had. Former Congressman Robert L. F. "Bob" Sikes served for decades on the Armed Services Committee where he developed a knowledge of personnel and procedures equaled by few.

His letter praising the work of Joe Meis is thus a higher testimonial than I could possibly achieve, and I would simply like to associate myself with the thoughts expressed in Mr. Sikes' letter which follows:

ROBERT L. F. SIKES,

Crestview, Fla., February 23, 1982.

Hon. JOE F. MEIS,
Department of the Air Force,
Washington, D.C.

DEAR JOE: During my years in Washington as a member of Congress from Florida, I came to know many, many government officials, and I learned to differentiate between

the "doers" and those who were "just going along for the ride." High on the list of doers is Joe Meis.

Every department of government has in it some career employees who know their work intimately and who accept to the fullest their responsibilities to our country. Joe Meis is one of these.

Because much of my work in Congress was associated with the Department of Defense and because of a very deep and sincere interest in an adequate defense for our country, I probably knew the personnel of that agency of government better than any other. I worked closely with the Department through the years, and I spent a great deal of time in conferences with both military and civilian personnel in the Department. I knew many who were dedicated and conscientious and very capable. Joe Meis certainly ranks among the leaders in this category.

In my opinion, you, Joe Meis, are one of the best informed people in the Department of Defense and one of those most anxious to do a good job for our country and for the Department. To those of us on Capitol Hill, you were always most cooperative and painstakingly accurate in the information which you provided.

You are one whose labors and whose contributions will be sorely missed when you retire. I consider myself fortunate to have known you, to have been able to draw on your expertise, and, most importantly, to have been able to call you Friend. As the years passed, you became a close and warm personal friend. This letter is an expression of that friendship and of my admiration for your dedicated service.

With best wishes for all you do in the years ahead, I am

Most sincerely,

BOB SIKES.

OCCUPATIONAL HEALTH
HAZARDS COMPENSATION ACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. MILLER of California. Mr. Speaker, I am introducing today the Occupational Health Hazards Compensation Act of 1982.

This legislation is receiving the immediate attention of the Subcommittee on Labor Standards, of which I am chairman. It is the product of 5 years of effort to identify the workers' compensation system's failure to provide adequate benefits to disabled workers who suffer from occupational diseases.

The present compensation system is simply not designed for occupational diseases. Instead, this system takes workers who are victims of cancer and other disabling and fatal illnesses due to their jobs and makes them victims again—victims of an indifferent system which denies them, their families and their survivors the income maintenance and medical care which they need and to which they are fully entitled.

Only about 5 percent of workers disabled by occupational diseases receive benefits from the workers' compensation system. Moreover, the benefits that small fraction of workers receive are totally inadequate—less than half those received by injury victims.

The failure of the compensation system is alarming for the stricken worker and for the American taxpayers who pay \$3 billion a year to victims of occupational diseases to make up for the shortcomings of the workers' compensation system. That \$3 billion loss from social security, disability insurance, veterans' programs, welfare, food stamps, medicare, and medicaid will grow every year in the future if we fail to develop a better and fairer system for the worker.

This subcommittee has held exhaustive hearings on occupational disease since 1978. We have been told repeatedly that over half of the victims of occupational disease receive social security benefits. Another 17 percent receive veterans' benefits. And another 16 percent depend on welfare programs.

At a time when these programs are strained to provide benefits to those who have nowhere else to turn, we cannot allow taxpayers' dollars to continue to subsidize hazardous industries and dangerous jobs in this country.

The Occupational Health Hazards Compensation Act will create a means for providing the victims of occupational diseases, resulting from asbestos and uranium mining with adequate benefits on a timely basis. It will significantly reduce the demand on social security and other publicly funded programs by placing the burden where it has always belonged in cases of workers' compensation—on the responsible employers, not on the taxpayers.

Past efforts to establish such a compensation system for victims of asbestos diseases or other occupational illnesses have been accused of bailing out industry. My legislation will do no such thing.

My bill will provide more disabled workers with more income maintenance and health benefits than has ever been possible under the antiquated workers' compensation system without having to wait years for administrative processing or for their day in court. It provides an efficient—and an effective—mechanism for processing compensation claims.

This legislation places the financial burden where it properly belongs: with the manufacturers and the employers. I am hopeful that they, too, will support this legislation because it does establish a just system.

The legislation I introduce today builds on the recommendations of the National Commission on State Workmen's Compensation Laws. While limiting initial coverage to asbestos vic-

tims and uranium miners, about which the evidence of job-related diseases is unquestionable. The bill includes a trigger mechanism for bringing additional diseases and occupations under its coverage when the scientific and medical evidence warrants.

This legislation will not establish any new Federal bureaucracy. It will result in the saving of billions of Federal dollars because industry will pay not only for compensation benefits, but for the program's administration, too. It will also save money by establishing a program of surveillance and medical treatment to reduce the incidence and severity of occupational exposures.

Over the course of the year in which I have developed this bill, I have solicited the advice of the broadest possible range of experts—within the manufacturing industries, insurance, labor, compensation administrators, and the medical and scientific community.

This legislation is a synthesis of their best advice. Undoubtedly, it is not perfect. It will totally please no party in this complex, and often bitter debate. But this is a fair and financially sound program, and I intend to devote my time, and time of the subcommittee, to assuring that it will be considered by the Congress this year.

Quite simply stated, we have dedicated a decade to debating and analyzing the issue of occupational disease compensation. We could debate it for another decade or more.

But there are tens of millions of men and women throughout this country, nearly a quarter of a million asbestos victims alone, who will die before the end of this century because of occupational disease. Millions more will be disabled. They will lose their wages and incur billions of dollars in health costs.

We need to accelerate our efforts to prevent the exposure of workers to hazardous substances in the workplace. My legislation will establish a program of surveillance and medical treatment to reduce the severity of occupational exposure in the future.

But for millions of men and women, it is too late. They have been exposed. After latency periods of several decades, in some cases, they are going to get sick. They need the assurance of income maintenance, medical care and survivors' benefits which the current compensation program promises them, but tragically fails to provide.

We must move on. The Subcommittee on Labor Standards recognizes the seriousness of the problem, and has held 5 years of hearings on the crisis of occupational disease and the failure of the present workers' compensation system to provide benefits to victimized workers. The studies are complete; the case is indisputable; the need is great, and growing. The subcommittee began its hearings today on

this legislation with expert testimony from Dr. Irving Selikoff of Mount Sinai Medical Center.

We are moving this legislation forward this year because millions of men and women cannot afford to wait any longer.

A brief explanation of the legislation follows:

SUMMARY ANALYSIS—CONGRESSMAN MILLER'S OCCUPATIONAL DISEASE COMPENSATION BILL

SCOPE OF THE BILL

The bill establishes a federal compensation program for victims of occupational diseases. At present, compensation is provided for victims of asbestos-related and uranium ore-related diseases which result from employment exposure. The bill also contains a procedure for legislative expansion of the scope of coverage when medical studies demonstrate the relationship between other workplace exposures and significant increases in diseases.

BENEFITS

Benefits are provided to the survivors of workers who die as a result of these occupational diseases, and to workers who suffer permanent partial and permanent total disabilities resulting from these diseases. Benefits, which are based on the recommendations of the National Commission on State Workman's Compensation Laws, include:

Death and total disability and survivors benefits of two-thirds of the pre-disability earnings;

Partial disability benefits of two-thirds of the lost earnings of the worker, with provision for annual reevaluation of the disability;

Complete medical benefits; Integration of compensation benefits with the Social Security System.

CLAIMS ADMINISTRATION AND ADJUDICATION

The bill establishes no new federal agencies or bureaucracies. Claims are filed with the Office of Workers' Compensation Programs of the U.S. Department of Labor, under procedures established by the Longshore Act, with administrative law judge hearings and administrative appeals to the Labor Department's Benefit Review Board. Judicial review is in the U.S. Courts of Appeals.

ELIGIBILITY FOR BENEFITS

Like all workers' compensation laws, the bill compensates disabilities which result from diseases, not the diseases themselves. Eligibility standards, based on the current medical knowledge, link certain diseases with asbestos or uranium ore exposure. In all cases, however, the burden of proving that exposure to asbestos or uranium ore arose out of and in the course of employment rests with the claimant. Whether the employee is disabled, and the degree of disability, are questions of fact to be determined on a case-by-case basis.

RESPONSIBILITY FOR THE PAYMENT OF BENEFITS

The bill creates no federal liability for the payment of benefits. Following the traditional workers compensation practice, employers who expose workers to asbestos or uranium ore hazards are responsible for the payment of compensation benefits. If the last employer employed the worker for at least two years, and exposed that worker to asbestos or uranium ore, that employer will be "responsible" for the payment of benefits. "Responsible employers" may insure

their liability under the bill, or qualify as self-insurers.

Where the last employer is responsible, the bill eliminates the need to go back in the employment chain and identify an earlier employer who is "responsible". In those cases, liability for the payment of benefits will be assigned to a compensation fund, which will be funded by annual contributions of employers who expose their workers to asbestos or uranium ore, and in the case of the asbestos fund, by manufacturers or importers of asbestos and of products which contain asbestos.

LIMITATIONS ON LIABILITY

The compensation program established by the bill would be the primary source of benefits for employees who are disabled or who die as a result of asbestos or uranium ore-related diseases. Compensation under the bill, following the traditional workers' compensation system, would be the employee's exclusive remedy against the employer, fellow workers, and collective bargaining agents. Liability suits which had been filed against asbestos manufacturers prior to the effective date would be unaffected, except that recoveries in such suits would be reduced by the compensation received by the plaintiffs under the Act. Subsequent to the effective date of the Act, no such suits would be permitted against asbestos manufacturers who participate in the compensation fund.

SURVEILLANCE AND MEDICAL TREATMENT RESEARCH

The bill provides an industry-funded program for surveillance of workers who have been exposed to hazardous substances, and a program of medical treatment research in order to reduce the effects of such exposure, retard the rate of progression of such diseases, and forestall complications which could result in premature death of such workers.●

STUDENTS FIGHT BACK

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. FRANK. Mr. Speaker, this week Members of Congress witnessed one of the most effective grassroots lobbying campaigns in recent memory as thousands of students from across the country came to Washington to fight the administration's savage and unjustified cuts in student assistance programs. I was very pleased to meet personally with a number of students, many of whom traveled several hundred miles from Massachusetts in order to express their feelings. What

they realize is that if the President's student aid cuts are passed, higher education will be a prerogative of only the rich. In a highly specialized and technical society, higher education of all our young people is not a luxury—it is an absolute necessity if America is to maintain its standard of living and economic well-being. The cuts already enacted last year were too severe and should be restored.

The students who visited with me made their case very effectively. In fact, students from two institutions, the University of Massachusetts Medical School and Wheaton College, two outstanding institutions in the Commonwealth, prepared detailed charts demonstrating the effect these cuts would have on the student body. For example, at the University of Massachusetts, the elimination of the guaranteed student loan program for graduate students would deprive 83 percent of the student body from utilizing this program. At Wheaton, cuts in national direct student loans would eliminate 130 needy students. I attach the charts and ask that they be reprinted at this point in the RECORD and ask my colleagues to study them carefully.

UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL—IMPACT OF STUDENT AID CUTBACKS

	1980-81			1981-82			Projected 1982-83			Projected 1983-84		
	Allocation	Number of students	Percent of student body	Allocation	Number of students	Percent of student body	Allocation	Number of students	Percent of student body	Allocation	Number of students	Percent of student body
National direct student loan (NDSL)	\$270,561	185	45	\$146,480	119	29	\$140,621	114	28.0	0	0	0
Health professions student loan (HPSL)	60,812	37	9	55,698	25	6	¹ 18,937	9	2.0	0	0	0
Guaranteed student loan (GSL) HELP in Massachusetts	1,475,226	343	83	1,685,000	339	83	0	0	0	0	0	0
College Work Study (CWS)	68,825	38	9	77,353	64	16	² 74,259	62	15.0	\$55,895	46	11.0
Exceptional financial need (EFN)	33,460	4	1	36,228	4	1	17,027	2	0.5	0	0	0
National Health Service Corps (NHSC)	117,110	14	3	98,702	11	3	81,000	9	2.0	20,000	2	0.5
Health education assistance loan (HEAL) (at market interest rates compounded while in school)	50,700	14	3	400,000	80	20	2,000,000	285	70	2,500,000	300	73.0

¹ 66-percent decrease from 1981-82.

² 4-percent decrease from 1981-82.

IMPACT OF FEDERAL FINANCIAL AID REDUCTIONS ON WHEATON COLLEGE STUDENTS

	Pell	SEOG	NDSL ¹	CWSP ²	Total cuts
1981-82:					
Total dollars	226,700	99,000	58,700	142,500	526,000
Number aided	260	135	130	200	350 +
Continuing resolution, 1982-83:					
Total dollars	219,900	74,250	56,400	136,800	487,350
Number aided	240	100	125	190	320
Dollar decrease	6,800	24,750	2,300	5,700	39,550
Percent decrease	3	25	4	4	8
Proposed rescissions, 1982-83:					
Total dollars	210,800	74,250	56,400	125,400	466,850
Number aided	230	100	125	175	310
Dollar decrease	15,900	24,750	2,300	17,100	60,050
Percent decrease	7	25	4	12	11
Reagan's budget, 1983-84:					
Total dollars	136,000	0	0	102,600	238,600
Number aided	210	0	0	140	160
Dollar decrease	90,700	99,000	58,700	39,900	288,300
Percent decrease	40	100	100	28	55

¹ Federal Capital contributions.

² Federal allocation.

Note: All decreases are calculated on the basis of 1981-82.●

THE PRESIDENT ON THE ECONOMY: ANECDOTES, METAPHORS, AND MYTHS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. CONYERS. Mr. Speaker, the week began on the economic front with the President asking a group of small businessmen in the East Room of the White House, "Would you agree we are on the right road to recovery and we should stick it out?" The Washington Post reported the audience roared its approval. Then the President responded, "Thanks, I needed that."

On Tuesday, a senior Republican Senator, and the chair of the Republican Campaign Committee, Senator BOB PACKWOOD reported that in recent talks between his colleagues and the President on budget policy, Mr. Reagan responded to the Senators' concerns "on a totally different track." To illustrate their differences, Mr. PACKWOOD stated: "(Senator PETE DOMENICI, chair of the Senate Budget Committee, might note at the meeting that the budget deficit is dangerous and the President says) You know a person yesterday, a young man, went into a grocery store and he had an orange in one hand and a bottle of vodka in the other, and he paid for the orange with food stamps and took the change and paid for the vodka. That's what's wrong."

On that same day, Mayor George Latimer of St. Paul, Minn., after a meeting of leaders of the National League of Cities with the President, recounted an anecdote of Mr. Reagan's about a man who drew social security disability payments while he continued to work. Mr. Latimer expressed bewilderment. Latimer could only think of stories of thousands of unemployed workers lining up for jobs, as occurred recently in St. Paul when 5,200 jobseekers lined up for 200 department store jobs. "His anecdotes are not my anecdotes," Mr. Latimer stated.

The press has celebrated the President as "the great communicator." It is true his mastery of political audiences has been first rate. On the other hand, his communication with Members of Congress as well as the public raises questions about the clarity and appropriateness of the President's communications over policy.

By some accounts, the current state of the economy verges on disaster. According to others, including the Business Roundtable—the association of top business leaders—current administration policy has failed to deal with critical issues, including interest rates, deficits, and targeted assistance to depressed industries and areas.

According to recent press reports, the President communicates on economic policy through anecdotes. Reading these accounts, one wonders whether Mr. Reagan has been reading of late ancient Greek history. In ancient Athens, leaders periodically retreated to Delphi when serious matters of state were involved to consult with the Oracle, that invariably responded to their concerns in the most obtuse and ambiguous of ways. In ancient Rome, leaders there would guide their policy by viewing the entrails of animals.

The President may be seen as a great communicator. In important regards, however, it may be more appropriate to call him "a great simplifier." Before he began to communicate in anecdotes, the President's tendency was to communicate in myths. That has happened at recent press conferences when reporters have pointed out misstatements of fact. A few examples will suffice.

A month ago, Mr. Reagan blamed economic policy of the past 40 years as the reason for the economic mess we are in today. That is a long stretch of time, and it involved many different types of policy. In the post-war period, the Truman and Nixon administrations instituted wage-price control policies. Federal Reserve policies over this period fluctuated often between tight money and expansionary policy. Most economists agree that the inflation problem is traceable to the Vietnam war and the unwillingness of the Johnson administration to raise taxes to finance military spending. There were, of course, periods of prosperity during the past 40 years; and 16 years of the 40 were under Republican administrations.

Just the other day, before an approving audience on the west coast, the President argued that Federal deficits could not be reduced by raising tax revenues, an unusual proposition at best. Other times, he has called for further cuts in spending, except that he omits military spending from his categories of cuts. This blind spot in the President's analysis is particularly intriguing because of the magnitude of the defense spending hikes he has called for—more than \$1.6 trillion over the next 6 years, a 13.3-percent increase in real terms this year over last year, and growth in the defense share of Federal spending from 25 percent in 1982 to an expected 36 percent in 1987.

The President has accused his critics of failing to devise alternatives of their own. "Put up or shut up," I believe were his words. Yet my computer file cannot store the great number of budget and economic policy alternatives that have been circulating on the Hill of late. To name a few, the Hollings plan for a spending freeze, across the board; the Dole plan for changes

in tax law and generating new revenues; the Schroeder plan for cuts in defense spending; the Congressional Black Caucus alternative budget; plans to institute price controls and credit allocation; and even a Conyers plan to reform Federal Reserve policy and structure by integrating monetary, fiscal, and budget policy.

Mythmaking and simplification is unhelpful under normal conditions; under present circumstances, the current modes of Presidential policy communication are downright dangerous.

A few days ago at the White House meeting with small business leaders, the President expressed confidence that the economy was picking up steam. "It has begun to level out," Mr. Reagan told them. "That always happens at the bottom. You've got to have a curve before you turn up—the ship is afloat. It's just in the hollow of the wave and riding out for the next curve."

One can speculate whether Mr. Reagan is reminiscing about his days as a sportscaster in Des Moines, or else thinking of the sea. In any case, his recent communications on economic policy are seriously lacking in clarity and grasp, and certainly are hardly reassuring as a reading of the current economic situation.●

EPA'S INCREDIBLE ACT

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. LEVITAS. Mr. Speaker, a recent editorial in the Atlanta Journal calls the action of the Environmental Protection Agency in lifting the ban on burying toxic wastes in unsecured containers incredible. It is indeed incredible and amazing that the Agency created to protect our environment is pursuing policy known to be harmful to our environment and to the health of the American people.

The EPA has lifted the ban on such unsafe toxic waste dumping for 90 days while they consider permanently discarding it.

Maybe the administrators at the EPA do not remember the terror of Love Canal and the Valley of the Drums and the disruption of people's lives caused by the leaking of dangerous chemicals from unsafe dumpsites. If they do not remember, they should certainly be reminded. To lift the ban imposed on unsafe dumping of toxic chemical wastes is to invite more disasters. We should be looking at the laws on toxic waste dumping and the superfund to be sure that they are doing their job, but that does not mean that we should do away with the laws which are in place in the meantime.

Perhaps the administrators in the Agency are moving to take the "P" out of the EPA. Certainly pursuing policies such as this one does nothing for the protection of the public and our environment.

The editorial in the Atlanta Journal on March 2, 1982, points to the absurdity of this policy. At this point I would like to enter the article in the RECORD and commend it to my colleagues' attention.

The article follows:

[From the Atlanta Journal, Mar. 3, 1982]

EPA'S INCREDIBLE ACT

The Horror stories about toxic wastes leaking out of landfills are well known by now. At Love Canal in New York State, dangerous chemicals ate their way out of steel drums and rose to the surface to kill plants and trees and sear the skins of children and animals. Even now, toxic wastes leaking from dumpsites are oozing their way inexorably toward the principal water supplies of Atlantic City, N.J.

No one in his right mind would want this kind of unsafe dumping of poisonous chemicals to continue—or would he? The Environmental Protection Agency, of all people, is attempting to let companies resume burying toxic wastes in insecure containers. And not only that, the agency has suspended the ban on such dumping completely for 90 days while it considers how to go about letting the landfill disposal resume at a limited rate.

We are disturbed that an agency which is supposed to protect the environment, including the people in it, would be taking the lead in resumption of unsafe disposal of dangerous chemical wastes. It may be that some modifications of existing law are needed, but there is no justification for letting industries resume large-scale dumping in containers that are certain to leak—which is what the EPA proposal entails.

Furthermore, we are astonished and outraged that EPA would suspend the ban on dumping while it is trying to decide what it wants to do in the long run. During this 90-day window it is a sure bet that thousands of tons of poisons are going to be tossed out, buried and left to work their way back into the water table or the food chain in many parts of the country.

The lifting of the ban must be stopped immediately before unscrupulous companies take advantage of it to clear their storage facilities of toxic wastes in an unsafe manner. And the proposal to change the law needs to be reworked to be sure that only the technical problems with it are resolved. Safe disposal methods are being discovered all the time, and we believe the American people prefer that to more Love Canals. ●

HONORING JULIUS LARKING
HOYT AND NANCY CRISCI

HON. BENJAMIN A. GILMAN
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. GILMAN. Mr. Speaker, recently, the town of Newburgh (New York) Republican Committee honored Julius Larkin Hoyt as the 1982 Republican Man of the Year, and Mrs. Nancy

Crisci as the 1982 Republican Woman of the Year.

I have had the pleasure of knowing and working with Mr. Hoyt for many years. A 1950 graduate of Cornell Law School, Julie served in the Armed Forces for 3½ years. Upon his return to the Newburgh area, he formed a law partnership with his late brother, Judge Claire Hoyt.

Julie served as town attorney in the town of Newburgh from 1958 until 1972, and was elected a member of the Orange County Legislature for three terms, beginning on January 1, 1970, the date that the new county charter established the legislative form of government.

Mrs. Crisci has earned a stellar reputation for her diligent, outstanding service to the Golden Age Club of Newburgh, to the Newburgh Volunteer Ambulance Corps, and to many other civic organizations.

Seventy-eight years young, Mrs. Crisci, the widow of Angelo Crisci, is the mother of 8, grandmother of 17, and great-grandmother of 7. She served as receiver of taxes for the town of Newburgh in the fifties, and currently serves on the town recreation board.

Mr. Speaker, I know that my colleagues join with me in congratulating Julius Larkin Hoyt and Nancy Crisci for their inspirational and dedicated community involvement. ●

AMERICA'S DEPENDENCY

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. RUDD. Mr. Speaker, in the words of the editor of one of Arizona's prominent newspapers, "America has become a nation of dependents."

These are tough words, a clarion call with the unfortunate ring of startling truth. There is a direct Government subsidy extending to virtually every sector of our economy, to beneficiaries of every income and to almost every aspect of our livelihood. Everybody recognizes that the Federal Government has gotten too large, but few are willing to bring themselves out from under our Nation's umbrella of dependency.

The editor of the Phoenix Gazette, Mr. Loyal Meek, offered his own rendition of the Declaration of Independence, which he altered to today's standards, headlined in his column, "Time Has Come for America To Celebrate Our Glorious Dependency." As this Congress prepares to undergo a difficult budget process, making tough decisions on where our national priorities lie, I think we should reflect on the situation we now find ourselves in. For this purpose, I urge my colleagues

to read Mr. Meek's column, which follows:

TIME HAS COME FOR AMERICA TO CELEBRATE OUR GLORIOUS DEPENDENCY

(By Loyal Meek)

America has become a nation of dependents.

Every one of us, in one way or another, is dependent on Washington for support and protection—far more so than our grandparents ever dreamed of being.

Business, labor, farmers, minorities, religions, news media, states, communities, schools and colleges, the poor, the rich, the in between, you name it, all look to big, central government for aid, subsidy or regulation to facilitate our pursuit of happiness.

Ronald Reagan was elected president on a promise to get government off our backs. As it is turning out, apparently that's not what the people wanted at all.

Instead, what Americans evidently want is to keep on riding on the back of government.

The relatively modest efforts of the Reagan administration to curtail everybody's and every place's dependency on Washington is bringing about a veritable firestorm of resistance.

Proposals to return power to the state, the community, the people; to reduce income taxes, and to remove stultifying regulations are met with vociferous objections. Special interests rise up in wrath.

"Take it away from them, but not from me."

Never mind that the dependents are paying for these "pursuit of happiness" narcotics peddled by the political pushers in Washington, either through taxes or inflation.

"Just keep giving me my fix."

All of which suggests that the time may be at hand to recognize and celebrate our glorious dependency.

Herewith, then, is offered a revision of the Declaration of Independence to accommodate that noble document to current conditions:

"When in the Course of human events, it becomes necessary for one people to defend their dependency on others, and to assume among the powers of the earth, the rights to sustenance and protection which a benevolent government is obligated to provide them, a decent respect to the opinions of person kind requires that they should declare the reasons which entitle them to cradle-to-grave support.

"We hold these truths to be self-evident, that all persons are created equal, that they are endowed by their Self Interest with certain unalienable Rights, that among these are Life, Security and Happiness.

"That to secure these rights, Governments are instituted among Persons, deriving their just powers from the acquiescence of the governed. That whenever any Form of Opposition threatens to interfere with these ends, it is the Right of the People to drive them out, and to rescue the status quo and thus preserve their welfare payments, subsidies and tax loopholes.

"Prudence, indeed, will dictate that welfare systems well established should not be changed for light and transient causes; and accordingly all experience hath shewn that personkind are more disposed to enjoy, while goodies are here to be enjoyed, than to change things by reverting to old-fashioned independence which their grandparents had to put up with before we found how to eat our cake and have it, too.

"But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to replace dependency with individual liberty, it is their right, it is their duty, to throw off the threats from such uncompassionate kooks, and to provide new Guards for their future security. Such has been the patient sufferance of these Uncle Sam dependents; and such is now the necessity which constrains them to defend their dependency.

"The history of the uncompassionate kook movement, now personified in President Reagan, is a history of repeated injuries and usurpations, all having in direct object the restoration of power to the states, local communities and even individual citizens.

"To prove this, let Facts be submitted to a candid world.

"He has endeavored to put an end to the spend and spend, tax and tax, elect and elect policies that have, over the last 50 years, brought the nation to our current pinnacle of prosperity.

"He has promised to get the government off the backs of the people, a cleverly disguised way of suggesting that the liberal elite does not know what is best for you.

"He has sought to reduce income taxes and put an end to bracket creep, thereby letting the people keep money which government needs to redistribute to the have-nots and businesses being forced into bankruptcy by foreigners hung up on the work ethic.

"He has sought to divert resources to build up the national defense, putting tomorrow's security ahead of today's comfort.

"We, therefore, in the name of the people, solemnly publish and declare that we are, and of a right ought to be treated as perpetual dependents and pledge to each other everything except our tax deductions, exemptions and sacred loopholes."●

MAURICE E. HELLIKER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SKELTON. Mr. Speaker, it was with great sadness that I learned of the recent death of a friend and fellow public servant. On Sunday, February 21, Maurice E. Helliker, mayor of Hignsville, Mo., passed away.

During my years in Congress, and before as a State senator, I had many opportunities to observe and work with Mayor Helliker in an official capacity. He worked hard at making his community a good place to live and raise a family. In 9 years as a city councilman and 5 years as mayor, he devoted countless hours to his town. He was also an active participant in his church and in community organizations, such as the Boy Scouts and the chamber of commerce. He was respected in his profession as an administrator for an electric cooperative.

Please allow me to use this statement as an opportunity to eulogize my friend. His spirit of concern for his fellow man, as demonstrated so many

ways, is commendable. He will be missed.●

USDA'S PROPOSED CHANGE OF BEEF GRADING STANDARDS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. PEYSER. Mr. Speaker, today I am introducing a resolution of disapproval for the U.S. Department of Agriculture's proposed change in the beef grading standards and ask all my colleagues to join with me in sponsoring this measure.

Since its inception, people have come to rely on the USDA beef grades in making their purchasing decisions. Whether it is a housewife shopping for her family or a chef selecting the prime cuts for the restaurant's clientele, the beef grades tell consumers about the quality of the beef they are buying with the concomitant assurance that the beef they buy will be consistent with past purchases.

The beef grading system was designed to protect and inform the consumer. The changes as proposed by the USDA would do nothing more than exploit and confuse the consumer. By lowering the minimum marbling required for prime beef to include the moderate category of the present choice grade, and lowering the present choice grade to include the upper one-half of the slight marbling category of the good grade, the standards on which people have come to rely will be diluted. By lumping nearly all fed beef into two grades, discriminating beef buyers would be provided with significantly less information on which to make a decision. What confidence will people place in the beef grades as they realize that they are being diluted every few years.

USDA's proposal will result in consumers—from housewives to restaurant diners—paying prime prices for choice beef and choice prices for the good grades of beef. Expenditures for meat account for the single largest portion of the food dollar today. It is estimated that the proposed change will mean increased beef costs to consumers which could exceed \$300 million per year. In effect, people will be paying more for less.

In addition, the increased prices that consumers will pay will not be confined to only beef products. As other livestock and poultry markets adjust to the new grading scheme for beef, then pork and poultry will increase in response to higher beef prices. According to USDA's own analysis, it will cost consumers about \$450 million more for other meat products by 1985.

The American people have made great sacrifices in the last year to

achieve a reduction in the inflation rate. USDA's proposal would do nothing more than fortify inflation. Neither the American economy nor the American consumer has use for a proposal which adds to the inflation pressures.

A dilution of U.S. beef grading standards would also impair our exports of high quality beef to countries which seek to obtain consistently top quality beef.

But this is not simply a consumers versus producers issue. Many State cattlemen's associations have recognized the error and shortsightedness of the USDA proposal and have testified against its adoption. They believe that it is vital to the future of the cattle industry that current standards be maintained, that the integrity of the grading system be preserved, and that consumers not be led to believe that they will be paying more for less.

The interests of consumers nationwide and many cattle producers are once again being sacrificed to the special interests. You would have thought that USDA would have learned from the examples of the past. Because of similar demands by segments of the cattle industry, the USDA diluted the beef grading standards in 1976. The promises fed to the consumers in 1976, that greater supplies of better quality, more economically priced beef would be available, and those fed to cattle producers, that more beef would be sold, have failed to materialize.

Rather, there is sufficient evidence to conclude that the 1976 dilution of the beef grading standards have contributed to the problems of the cattle industry. Since 1976, beef consumption has declined, complaints about the quality of beef served in restaurants have increased manifold. Purchasers of prime beef need assurance that the premium prices they pay purchase top-of-the-line high quality beef. Uncertainty about the quality of the choice beef has resulted in many shoppers buying different cuts of meat or increasing their seafood purchases. Consumers have been forced to accept less through the weakening of the grading standards. How often can the quality of beef be dropped and still expect the American public to buy beef as it has in the past?

The folly of the 1976 beef regrading is about to be repeated, and once again millions of unsuspecting consumers will be ripped off. The existing grades should not be weakened any further. By disrupting the marketing system, fueling consumer distrust, and aggravating inflation, the beef grading standards which USDA has proposed would make everyone—from the cattlemen to purveyors to restaurants to shoppers—a loser.●

BILL GREEN PRAISES LARGEST ORTHOPAEDIC HOSPITAL FOR 75 YEARS OF SERVICE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. GREEN. Mr. Speaker, I would like to share with my colleagues in the House of Representatives a story of exceptional dedication and service that began 75 years ago in upper Manhattan, and is continuing today on the city's East Side.

During this year the Hospital for Joint Diseases Orthopaedic Institute, the largest orthopaedic specialty hospital in the United States, is celebrating its jubilee year of service to four generations of New Yorkers, and the world.

Founded in 1906 by a distinguished surgeon, Dr. Henry W. Frauenthal, it started as a seven-bed facility, dedicated to improving the lives of those who suffered from orthopaedic and rheumatology disorders.

Today, it is acclaimed as one of the finest such facilities in the world for treatment of these highly prevalent dysfunctions.

I invite my colleagues, and others who love art, to visit the Hospital for Joint Diseases Orthopaedic Institute, to observe a truly unique medical treatment plan in action. It is called "Art for Health," and makes use of original works of art from such artists as Rauschenberg, Dali, Rosenquist, Picasso, Chagall, Kadishman and others, to motivate patients to begin walking much sooner than normal following surgery. It accomplishes this by encouraging the patients to move through the hospital corridors to see, discuss, and experience a museum of contemporary art. Actually, the hospital has created one of the largest museums in the world with 4 miles of corridors devoted to this art program. In many cases, this imaginative and innovative medical program is said to be helping patients return to their homes and work much earlier than normally expected in the past.

This art for health program is one part of the institute's new occupational and industrial orthopaedic center. This center addresses the exceptional challenge of reducing chronic absenteeism in industry. Figures compiled by researchers at Yale University disclose that some 20 million Americans suffer from some form of musculoskeletal impairment, at an annual cost to business and industry of \$20 billion.

Mr. Speaker, I believe that the residents of the East Side feel that this nonprofit, voluntary hospital is a great asset to New York City and our society. And, under the financial guidance of George M. Jaffin, it expects to continue to expand its services.

EXTENSIONS OF REMARKS

An evidence of this widespread support for its aims and services, a newly formed associates council, composed of 100 young leaders in finance, business, banking, and real estate, is pledged to keeping the Hospital for Joint Diseases Orthopaedic Institute a leader in modern orthopaedic technology. I know we all applaud their actions.

I ask my colleagues to join me in recognition of the goals of the Hospital for Joint Diseases Orthopaedic Institute as it enters the last quarter of its first century of service to those who suffer from orthopaedic and rheumatology maladies.●

INDEPENDENT CONTRACTOR TAX STATUS CLARIFICATION ACT OF 1982

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. GEPHARDT. Mr. Speaker, today I am again introducing legislation that would clarify the tax status of independent contractors. It is my hope that this proposal will end a long-standing dispute between millions of taxpayers and the Internal Revenue Service. The expiration of a freeze on action in this area at the end of June and the Ways and Means Select Revenue Subcommittee's decision to hold hearings on the issue later this month suggest we may finally get some action in this area.

There are lots of independent contractors in America. They range from housewives who sell cosmetics to neighbors in their spare time to loggers and real estate and insurance salesmen. They are not employees in that they have a wide leeway in their working habits and a wide variation in earnings independent of any organization they may be affiliated with. Over the years there has been extensive debate about how precisely an independent contractor is defined by the IRS. There have even been regulatory attempts that could destroy large segments of this industry.

My legislation would end this dispute by creating a simple 5-year test to determine whether a person truly was an independent contractor or not.

A radio commentator made a good case for such reform in 1978 when he said:

It's time that Congress told the IRS, loud and clear, that the independent small contractor is a vital part of America. They cannot survive if, in addition to the risks of the economy, they are harassed into insolvency by an IRS determined to make them pay the taxes of others with whom they contract, as well as their own.

In the past 4 years that argument has become even more compelling. The commentator who made it is now

March 4, 1982

our President. This gives me hope that we will finally solve this thorny problem.●

CLAUDE PEPPER: THE SOUTHERN LIBERAL IN RONALD REAGAN'S COURT

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. LEHMAN. Mr. Speaker, CLAUDE PEPPER is a much admired and beloved Member of this body. He is a living lesson in American history, as all of us who heard him speak in honor of Franklin D. Roosevelt are well aware. His Senate career alone has secured him a place of high esteem in our history books. Yet, he has shown that he is not content to rest on his laurels. His energetic leadership in the struggle to end discrimination against older Americans and improve the quality of their lives has made him a hero to senior citizens across the country.

Florida Trend magazine recently published an excellent article about CLAUDE PEPPER that I believe my colleagues will find timely and interesting.

The article follows:

CLAUDE PEPPER: THE SOUTHERN LIBERAL IN RONALD REAGAN'S COURT (By Rudy Abramson)

He is 81 now, the oldest member of the Congress, an unrepentant New Dealer in a capital held by conservative Republicans and young "boll weevil" Democrats who see the world in an altogether different perspective than the "old gentleman" from Miami.

He was swept into the Senate at Franklin Roosevelt's high tide—his campaign amounted to a Florida referendum on the New Deal—and he was swept away by the riptide of McCarthyism 14 years later.

That should have been the last the nation's capital ever heard of Claude Denson Pepper, but here he is 45 years after he was first elected to the Senate, and 18 years after his sheer stubbornness got him started on a long career in the House when his contemporaries were making serious plans to retire.

Here he is, twin hearing aids, bifocals, hair piece and all, pounding the halls of Congress, leading a cause which some forecasters—including himself—believe will turn into America's most significant social movement of the 1980s: emergence of the elderly as a massive political force. Apparently, he is indestructible, for he has survived open heart surgery, the death of his wife and closest ally and dangerous political currents, all with his abilities undiminished.

Now he is out to expose and stamp out "ageism" in America. To him, a national revolt against age discrimination is as inevitable as the civil rights crusade of the 1960s or women's demands for equality in the 1970s.

Because he is as old as he is and because of his hard-headed refusal to be set on the sidelines, Pepper has accumulated a nation-

al constituency of the elderly, receiving as many as 800 letters a week, and more than that in times when older Americans feel trouble is brewing—as they recently did when President Reagan's budget cutters eyed the Social Security system. So many look to Pepper, in fact, that he has started a syndicated "Dear Claude" newspaper column to communicate with his people beyond Florida's 14th Congressional District.

Pepper does not dispense much psychosexual advice or comment on delicate matters of etiquette. His constituents want to know:

"Is surgery especially dangerous for an older person?"

"I read so many stories about the Social Security fund being broke. Will there be anything left when I retire in six years?"

"I feel that I have many good years left and would like to do something that would contribute to the lives of the other people. Do you have any suggestions?"

"I need eyeglasses but am told that Medicare does not cover them. Is there any place I can go for this help?"

His followers troop into his office from all over the country, considering him as much their own congressman as if he came from their own states.

Catching him, however, isn't easy. He maintains a faster pace than many of the upstarts who weren't even born when he first came to Congress, speaking around the country, flying back and forth to Florida, stepping along the corridors between his office and the House chamber, routinely putting in 12 or 15 hours a day.

And, though it is hard to picture the elderly marching in the streets, Pepper is bringing an unmistakable touch of militancy to the subject of "elderly rights." "There is nothing in the Declaration of Independence or the laws of this country," he maintains, "that gives a younger man the right to say, 'Get out of my way, I want your job.'"

At a hearing he chaired on his 81st birthday, he observed, as he often does, that only 5% of the nation's population was over 65 the year he was born on a tenant farm at Dudleyville, Alabama. The figure is now 11%. In Florida it is 18%, and within a half century, it will surpass 20% nationwide.

The country is growing old faster than it realizes, but the elderly are still subject to discrimination every day, "a discrimination on account of age," Pepper says, "which is just as wrong as racism or sexism or any other form of discrimination."

It is insidious, creeping even into medical care, where, he claims, some doctors take the view, "let them die; they are going to die of something anyway."

"That," thunders Pepper the way he used to thunder on the floor of the Senate, "is no way to treat human beings!"

He is a steadily flowing fountain of statistics showing that the "golden years" are not really very "golden" for huge numbers of elderly Americans: A sixth of the population over 65—four million people—have incomes below the officially defined poverty level, 60% of the elderly are primarily dependent upon Social Security payments for a livelihood and only one in five is covered by a private pension plan.

The House Select Committee on Aging, which Pepper chairs, is a "select committee" without legislative authority, but Pepper has adroitly used it to investigate, educate and put the problems of the elderly on display before the nation's news media. It is a

forum where the age of admission is 65, the base where Pepper lobbied for his most satisfying piece of legislation—a law that abolished the mandatory retirement age of 65 for government employees and moved from 65 to 70 the age at which employees may be retired in private business. Now he is talking of another step, removing age altogether as grounds for forced retirement.

For legalistic reasons, Pepper has not formally declared that he will seek an eleventh term in the House this year. But he does intend to run again, and to keep on running as long as he feels he is getting the job done for the 14th District and for the nation's elderly.

If the Democrats manage to hold onto a majority in the House Pepper could become one of its most powerful members. In fact, with the announcement last summer that Rep. Richard Bolling (D-Mo.) would retire at the end of his present term, Pepper, in all likelihood could become chairman of the Rules Committee, a powerful chair which oversees what matters reach the House floor and under what circumstances. It will give Pepper an unusual opportunity to aggressively push his favorite legislation, but it would mean giving up the chair on the Select Committee on Aging. So far, Pepper says he hasn't even considered what he would do if faced with that tough choice.

Such developments sometimes make the old New Dealer wonder whether his career (some would say his "strange" career) has been under the influence of some force greater than politics. Pepper is, after all, one of the truly historic figures serving in Congress today, perhaps the only such person in the House.

Pepper arrived in Washington after a special election in 1936 to replace Sen. Duncan Fletcher, who died in office. His first speech on the Senate floor was a rousing defense of FDR and the New Deal and an admonishment of fellow Democrats who were wavering in their support of the administration. Drew Pearson called the young senator's oration "one of the greatest of its kind ever heard in the Senate chamber," and it established Pepper as one of the "comers" within the Democratic ranks.

Even though he would be reelected in 1938 and 1944, his liberalism started building opposition for him quickly. His political ideas were far ahead of the political establishment in Florida.

Two years after arriving in Washington, Pepper was cosponsoring national health insurance. He supported civil rights, abolition of the poll tax, the minimum wage and old age pensions. He infuriated "isolationists" before the outbreak of World War II. Then, after the war, after a visit to the Soviet Union and a meeting with Josef Stalin, Pepper announced that the USSR had expansionist ambitions and he actively supported disarmament. Opposition to his views grew.

In 1948, with the Democratic Party seriously divided on a presidential candidate, Pepper flirted with support for Henry Wallace before finally coming home to Harry S. Truman. His loyalty to the party mainstream was questioned.

By 1950 the flames of anti-Communism were crackling, and Sen. Joseph McCarthy of Wisconsin was fanning them. Claude Pepper was being called "Red" Pepper. Racists called him "nigger lover." No less a civil libertarian than Ralph McGill, the legendary Atlanta newspaper editor, branded him a "spellbinding pinko," a comment McGill later regretted and for which he offered

Claude Pepper an apology. But by then it was too late. Pepper was vulnerable; he had too many powerful enemies, not the least of whom was Ed Ball, who controlled the vast duPont holdings in Florida.

When Ball formed a coalition with George Smathers, backing Smathers in the race for the seat Pepper held, Claude Pepper's political career in the Senate was doomed. The Smathers victory that year forced Pepper out of the Senate just when he was getting enough seniority to exert an influence. The campaign was one of the ugliest in modern American politics, and it made Pepper something of a martyr to liberals for years afterwards. If he had never returned to Washington, he would have been remembered by liberals for that campaign alone.

Having gone through what he did in 1950, having had a second career as a lawyer and a third career in the House of Representatives, Pepper looks at politics in perspective. He has not yet conceded what the pundits have been saying since last November, that the conservative landslide was a political landmark, representing a fundamental change in the country's politics.

In the long sweep of Claude Pepper's memory, Republican control of Congress in the 1950s was brief. The 1950 Senate elections were a disaster for the Democrats, too. Not only did Pepper lose; so did the Senate majority leader, the Senate majority whip, the chairman of the Armed Services Committee, the chairman of the Education and Labor Committee and several others.

Pepper was sworn into the House of Representatives in January 1963. People still called him "Senator," not because he had been a Senator, but because that had been his nickname ever since Harvard law school when a U.S. Senate seat was his ultimate goal in life. They still call him "Senator" today, some out of habit, some out of respect.

"I loved the Senate," he told FLORIDA TREND recently, "and I hated to be knocked out under circumstances like that. I have often thought about it. If I had stayed in the Senate, I would have been president pro tempore, and chairman of the Foreign Relations Committee, probably longer than anybody else in the history of the country."

Regardless of that defeat, Pepper's office is filled with mementos from all three of his careers, including letters from Dwight Eisenhower, Winston Churchill and Franklin Roosevelt. There are paintings by his wife Mildred, and somewhere he has an effigy of himself, hanged once on the Capitol grounds by isolationists who thought the Florida Senator was helping push the country toward war.

Through the years, Pepper's district has dramatically changed since he was first elected to the House. Pepper has changed, too. No longer does he run using a "liberal" label.

"The liberal," Pepper explains, "is simply a fellow who has an appreciation of humanitarian values in our society. He is not unaware of the need for productivity in the economy. He knows very well that there must be a productive economy in order to maintain programs of social value. He wants the whole nation to be strong in terms of security; he wants it to be prosperous. He wants private enterprise to be successful so that it can, through taxes and contributions, lift those who are less fortunate to walk on higher ground."

But Pepper's perception of the balance between social good and economic necessity is vastly different from that of Ronald

Reagan, a man the Congressman has never met.

Two days before the President went on television last September to tell the nation the federal budget had to be cut another 13 percent, Pepper was in Puerto Rico holding hearings on the impact of the already announced budget cuts upon the elderly.

His reaction to the cuts and the resulting decreases in social programs was predictable. When government makes those cuts, industry has to make up the difference or the programs have to be cut back too, as Pepper sees it, and that causes social dislocations which are traumatic and often sad.

"The elderly needy, the elderly sick and the elderly who need housing are going to be on our doorsteps and on our consciences, and we won't be able to help them," he maintains.

"That situation," Pepper said, "is going to be repeated to some extent all over the country. It is being reflected in Dade County where the city of Miami and the county both had to cut budgets. The crippled and the elderly came in begging for transportation, and a lot of taxpayers jeered them. This is what we are facing. We are going to have a chaotic situation all over the country once these cuts go into effect."

Pepper has an agenda of his own, however, and mere budget cuts are a small worry. Fighting age discrimination is at the top of it. "I want to obliterate age as a criterion for employment," he explains. In addition, he has already introduced legislation designed to stabilize the embattled Social Security system, to expand Medicare coverage to include glasses, hearing aids and dentures and to reform the pension system of corporate America.

"In a democracy, we have moral obligations," he said recently. "President Roosevelt believed that, and I believe it. The federal government has a proper place, a duty to look after the needs of the people of this country. This administration is ignoring humanitarian demands arising from the people of this country."

And, he adds darkly, "They are going to pay the price for it."●

TECHNOLOGY GAP

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SKELTON. Mr. Speaker, today I am introducing legislation to establish a National Commission on Science and Engineering Education. The purpose of this Commission will be to combine the efforts of the educational community, the private sector, and the Government in defining the scope of science and engineering education problems in the United States; evaluating the impact of these problems on our national defense, industry, research, and the schools; and in formulating actions which can be taken by these various sectors to resolve these problems.

Mr. Speaker, at my request the Library of Congress has recently issued a report on the status of science and engineering education in the United

States and the effect predicted deficiencies in this area will have on the Armed Forces and the Department of Defense. Shockingly, the report reveals major problems ahead in meeting this country's needs for scientists and engineers. If this situation is not recognized now, and addressed head on, we are going to find the United States in a "Technology Gap" that is far more serious than the "Sputnik Gap" of the 1950's.

A shortage of trained technical personnel has particularly serious implications for our defense posture. U.S. ships, planes, and tanks have become increasingly more sophisticated and reliant on high technology. Yet the Air Force predicts a 114,000 total shortfall of engineers over the next 10 years. This presents a real national security risk.

In addition, our national economic superiority could be jeopardized. One of the most important reasons behind our national success has been the technological edge which we have maintained over our international neighbors. This edge will evaporate rapidly if we do not have scientists and engineers to provide us with advances in agriculture and industry.

The Government is not going to be able to resolve this problem without the combined efforts of the educational community and the private sector. This legislation will bring these people together for the first time and give some coordination to efforts toward resolving this threatening problem. I urge my colleagues to join me as cosponsors of this important legislation.●

LEGISLATIVE-VETO ISSUE: WILL IT END IN A LOGJAM?

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. LEVITAS. Mr. Speaker, as the ranks of those who support giving Congress the right to veto rules and regulations promulgated by executive branch and independent agencies continues to grow, I was gratified to see an article by the distinguished political scientist, James Sundquist, of the Brookings Institution, explaining the important policy and pragmatic reasons for it.

In his article which appeared in the Los Angeles Times, on February 26, 1982, Sundquist recognizes the legislative veto as workable policy, which is practical and appropriate in establishing the balance of power between the executive and legislative branches of our Government. As Sundquist notes, the legislative veto device has served the country well as a way to break the

logjams which occur between the branches.

If the Supreme Court strikes down the legislative veto as unconstitutional, as the administration advocates, Sundquist points out that the impact on our government will be dramatic, and the executive branch will be the one to lose out. The ability of Congress to oversee executive branch actions and thus the willingness of Congress to delegate power to the executive branch would be dealt a severe blow. To maintain its responsibility for making the laws of this country, Congress would be forced to resort to other more cumbersome and burdensome mechanisms of overseeing the executive branch. The end result would be a great logjam.

At this point, I would like to enter the article by James Sundquist in the RECORD. His analysis of the legislative veto should be considered by all who are interested in good government.

[From the Los Angeles Times, Feb. 26, 1982]

LEGISLATIVE-VETO ISSUE: WILL IT END IN A LOGJAM?

(By James L. Sundquist)

A constitutional dispute a half-century old appears finally headed for resolution by the U.S. Supreme Court, with profound implication for the practical conduct of government. At issue is a device invented in 1932 to enable Congress to delegate power to the President or to agencies of the executive branch, yet reserve the right to veto actions taken under the executive power.

Critics of the legislative veto contend that it permits Congress to meddle in the administration of laws, exerting improper influence and authority over decisions that should belong exclusively to the executive. They can make a strong case, but it overlooks a practical reality. If Congress is not permitted to veto actions taken under delegated powers, it can simply refuse to delegate the powers in the first place. It can retain the decision-making authority, to be exercised through statute, but that will further clog the overloaded congressional calendar and result in delays and deadlocks on matters that urgently require action.

The specific case before the court arises from a ruling by the 9th Circuit Court of Appeals in San Francisco a year ago that struck down a legislative-veto provision in the statute regulating the deportation of aliens. Late last month, the Circuit Court for the District of Columbia rendered a much broader decision in a natural-gas-pricing case, appearing to outlaw the legislative veto in all forms and circumstances as a violation of the separation-of-powers doctrine of the Constitution. If the Supreme Court upholds that position, the veto provision in about 200 statutes will be invalid.

The veto came into being as a compromise in 1932, when Congress was unwilling to give President Herbert Hoover a free hand to reorganize government bureaus, yet could not do the job itself. Its solution was to authorize the President to issue reorganization orders provided that the House or the Senate could disapprove any such order within 60 days. Although Hoover signed the bill, his attorney general concluded a few months later that the arrangement was unconstitutional and a bad precedent. The

Justice Department has stuck by that position ever since, sometimes (as, notably, in the Carter Administration) while the President was acquiescing in, or even advocating, legislative-veto provisions as the way to break legislative logjams.

How will those logjams be broken in the future if the legislative veto is outlawed? Certainly in many cases the executive branch will not gain power but will be the loser. Reorganization of the government is a case in point. Congress will be no more willing to trust President Reagan or any future President to recast the governmental structure on his own than it was willing to trust Hoover. Every reorganization will have to be achieved through a congressional act, and few that are controversial are likely to become law.

In the War Powers Resolution of 1973, the legislative veto was the key to settling an even older and more urgent constitutional issue, over who has the power to involve the United States in war. Congress was again reluctant, and understandably so, to give the President carte blanche to use military forces anywhere in the world solely at his own discretion. Yet it recognized that sometimes the President has to act in crises, immediately and forcefully. The artfully crafted compromise that was adopted—over President Richard M. Nixon's veto—authorized the President to respond to emergencies with military force, but gave Congress the right to reverse the President's decision.

In the Impoundment Control Act of 1974, the President is prohibited from refusing to expend appropriated funds, but is allowed to defer expenditures, subject to a legislative veto. Without such a simplified procedure, every such action would have to go through the full legislative process. The result would inevitably be fewer deferrals—in other words, more spending.

Similarly with regulatory agencies. For Congress to have review veto power over rules and regulations can be pernicious, but without it the legislators can simply withhold authority—telling the Federal Trade Commission, for example, to draft its regulations as proposed bills, to be enacted into law.

The list of cases could go on. But they all add up to this: If the executive branch finally wins its case against the legislative veto, it will live to regret its victory. Tension and conflict will increase within the government, many deadlocks between the branches will prove unbreakable, and problems that demand urgent attention will go unresolved.

The Supreme Court may hold that in interpreting the constitutional language it is not permitted to take practical considerations into account, although there are many occasions when it has done so. But the constitutional separation of powers surely introduces enough difficulties into the operation of the government already, without the addition of a new rigidity that would prevent statesmen from working out on a case-by-case basis the kind of power relationships that so far—on balance—have served the country well.●

DOUGLAS CORNELL

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Ms. OAKAR. Mr. Speaker, one of America's foremost journalists passed away last week. Douglas Cornell was noted for his journalistic integrity and skill in covering the White House. I offer my personal sympathy to his family including his devoted wife Helen Thomas. The following is an article which appeared in Sunday's Washington Post concerning Mr. Cornell:

DOUGLAS B. CORNELL, 75

Douglas B. Cornell, former White House reporter for the Associated Press and husband of UPI reporter Helen Thomas, died Saturday at the age of 75.

Mr. Cornell, who covered presidents from Franklin D. Roosevelt to Richard Nixon during his 36 years with AP, had been in failing health in recent years. He died in Detroit where he was being cared for by the parents of Thomas. He was hospitalized with pneumonia six weeks ago.

A native of St. Louis, Mo., Mr. Cornell spent his childhood in Falls City, Neb., where as a high school student he landed his first newspaper job at the Falls City Daily News. Mr. Cornell graduated from the University of Missouri School of Journalism in 1928. He worked at the Moberly (Mo.) Monitor-Index, the Des Moines (Iowa) Register, the United States Daily and the General Press Association before joining the AP in 1933.

As White House correspondent for the wire service, he worked in direct competition with his future wife, Helen Thomas. At his retirement party at the White House in 1971, then first lady Pat Nixon announced Mr. Cornell's engagement to Thomas. They were married soon afterward.

Mr. Cornell, who was a member of the Sigma Delta Chi Hall of Fame, also leaves a son from his first marriage, Douglas Cornell Jr. His first wife, Jenny died in 1966.●

IRA—INDIVIDUAL RETIREMENT

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. COLLINS of Texas. Mr. Speaker, IRA's represent a major step forward in helping American people save. This is constructive because it means taxes will not overburden savings.

In the Dallas Morning News they wrote two pages in the business section regarding IRA's and what they provide in investment for retirement.

There are IRA financial institutions including banks, insurance companies, savings and loans, investment firms, and credit unions. There are questions such as the amount of return earned. Also you are buying a fixed guaranteed return or a variable return. There

are different lengths of time for certificates. There is also the issue of whether funds are compounded daily, monthly, or annually.

But as I read the report, I noted with particular interest a chart that was prepared by the Christian Science Monitor. The Monitor raises the question of what today's \$100,000 will be worth in the future. They compared the annual rate of inflation from 6 percent up through 14 percent. Then they reviewed the money erosion over a 25-year period. For instance, \$100,000 with an 8-percent rate of inflation would be worth only \$14,602 in 25 years.

Let us take an annual rate of inflation of 12 percent, which would be anticipated with the big government spending we now have. Then let us assume that 6 percent of this goes for taxes. Now if you receive 12 percent interest on your \$100,000 and 6 percent of it is paid for taxes, this means that with inflation, even with earnings, your money would only be worth \$23,000 in 25 years. Our country has too much inflation and too much taxes. It all goes back to one basic subject—America has more government than we need and more taxes than America can afford to pay.

Below is the Christian Science Monitor chart that was published in the Dallas Morning News.

WHAT TODAY'S \$100,000 WILL BE WORTH

Annual rate of inflation	Today	In 5 years	In 15 years	In 25 years
6 percent	\$100,000	\$74,726	\$41,727	\$23,300
8 percent	100,000	68,058	31,524	14,602
10 percent	100,000	62,092	23,939	9,230
12 percent	100,000	56,743	18,270	5,882
14 percent	100,000	51,937	14,010	3,779

Source: Christian Science Monitor.●

THE 100TH ANNIVERSARY OF THE FIRST BAPTIST CHURCH, OF FRESNO, CALIF.

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. PASHAYAN. Mr. Speaker, next week the First Baptist Church of Fresno, Calif., will be celebrating its 100th anniversary of service in a community that had been established just 7 years earlier.

It was on March 18, 1982, when the First Baptist Church was organized in Fresno, and its congregation began meeting in the Good Templar's Hall. By year's end the church had its first pastor, its first candidate for baptism, and a membership nearing 50 individuals.

Three years later the congregation had nearly doubled and on June 18,

1885, dedicated its first church building in what today is downtown Fresno. The next decade and a half was not an easy period for the congregation as fires claimed both a chapel and sanctuary.

At the beginning of this century, also on March 18, the First Baptist Church of Fresno dedicated its new building, made of bricks, and it was to remain the church home for the next 52 years.

Prompted by growth of the downtown area, the church moved to its current home in September 1953 and continued to grow until today it has a congregation exceeding 1,200.

Now, as the church and its congregation begin a week-long centennial celebration on March 13, I should like to invite the attention of my colleagues and ask them to join with me in saluting this historic event. ●

INCENTIVE PAY AMENDMENTS OF 1982

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. WOLF. Mr. Speaker, in an effort to restore a measure of equity to the pay process for midlevel managers and supervisors in the Federal Government, GS-13 through GS-15, I am introducing legislation which will once again provide for the full annual pay adjustment and step pay increases to these employees. In addition, performance bonuses will be awarded if they earn them.

This is very similar to the prevailing pay practices with large firms in the private sector.

The Civil Service Reform Act, Public Law 95-454, established a merit pay system for managers and supervisors in grades 13 through 15. Under this system, within-grade increases were eliminated for this group, and the annual comparability pay raise was limited to one-half of the increase other Federal employees receive. This group would then earn pay increases strictly on the basis of performance. This system—called merit pay—was designed to encourage superior service in return for higher pay.

This is a good concept. However, the merit pay system developed under this concept has not worked as planned. And, I don't believe it can.

Instead, I am proposing that all employees in grades GS-13 through GS-15, not just managers and supervisors, receive full comparability and step increases. In the private sector, these pay adjustments are given for satisfactory service and are often referred to as cost-of-living and longevity raises, respectively. For performance above

this level, a bonus pay system would be established.

Under this system, those employees who truly excel will enjoy a pay bonus commensurate with their efforts.

I believe that this bill will contribute to the effective management of our Federal personnel. Good government and proper management of Government personnel will benefit all.

I insert the text of my bill as well as a section-by-section analysis at this point in the RECORD:

SECTION-BY-SECTION ANALYSIS

The first section of the draft bill cites the short title of this bill as the "Incentive Pay Amendments of 1982".

The second section of the draft bill consists of amendments to chapter 54 to title 5, United States Code. This section replaces the former Merit Pay System with a new Bonus Performance System. Under the former Merit Pay System, supervisors and management employees in grades GS-13 through GS-15 were eligible for pay increases based on performance. In addition, they received half of the amount of annual pay adjustments. The new Performance Bonus System continues to peg pay increases to performance but restores full comparability annual pay raises and quality step increases to all employees in grades GS-13 through GS-15.

Subsection (a) of Section 5401 sets forth the purpose of the performance bonus system. It shall recognize and reward quality performance by varying performance bonuses; and use performance appraisals as the basis for determining performance bonuses; provide for training to improve objectivity and fairness in the evaluation of performance, and regulate the cost of performance bonuses by establishing appropriate control techniques.

Subsection (b) makes the bonus performance system apply to any person in GS-13, 14 and 15 of the General Schedule (Section 5104 of title 5).

Subsection (a) of 5402 (Performance Bonus System) establishes a performance bonus system. Bonuses shall range in amount based on level of performance. The minimum bonus shall be 2% of an employee's annual salary, and the maximum bonus shall not exceed \$10,000.

Subsection (b)(1) provides for the Office of Personnel Management to issue regulations permitting the head of each agency to make an annual performance bonus to any covered employee.

Subsection (b)(2) provides that any award shall be in a lump sum payment, and shall be in addition to basic pay.

Subsection (b)(3) states that an individual performance bonus shall take into account individual performance and may take into account organizational accomplishment. Factors to be considered are improvement in efficiency, productivity, and quality of work or service, including any significant reduction in paperwork. Other considerations include cost efficiency, timeliness of performance, and other indications of effectiveness.

Subsection (b)(3)(C) & (D) state the head of an agency shall establish procedures under which a review of the bonuses may be undertaken.

Subsection (c) stipulates that acceptance of a bonus constitutes an agreement that the use by the Government of an idea, method, or device for which the bonus is made does not form the basis of any nature

against the Government by the employee accepting the bonus, or the employee's heirs or assigns.

Subsection (a) of section 5403 (Availability of Funds) provides that the Office of Personnel Management shall estimate at the beginning of each year the amount of funds available for performance bonuses. The funds available for this purpose shall reflect the quality step increases which OPM certifies to have been paid under subchapter III of chapter 53 of title 5 during the fiscal year to the employees of the agency covered under this chapter if the employees were not so covered. Also, incentive awards which OPM certifies to have been paid under chapter 45 of title 5 during the fiscal year to the employees of the agency covered under this chapter if the employees were not so covered.

Subsection (b) states that funds available for bonus awards shall not be less than the amount estimated by the OPM as necessary for providing bonuses at the minimum award level.

Subsection (c) provides that the OPM shall prescribe regulations for the allocation of funds for performance bonuses.

Section 3 makes technical and conforming changes to title 5, USC, including an amendment to section 5332(a) which restores full compatibility to managers and supervisor in grades GS-13 through GS-15.

Subsection (b) provides that the pay of any employee shall not be reduced because of this Act during the 1 year period following the effective date.

H.R. 5743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Incentive Pay Amendments of 1982".

FEDERAL EMPLOYEE PERFORMANCE BONUSES

SEC. 2. Chapter 54 of title 5, United States Code, is amended to read as follows:

"CHAPTER 54—PERFORMANCE BONUSES

"Sec.

"5401. Purpose.

"5402. Performance bonus system.

"5403. Availability of funds.

"5404. Regulations.

"§ 5401. Purpose

"(a) It is the purpose of this chapter to provide for a performance bonus system which shall—

"(1) within available funds, recognize and reward quality performance by varying performance bonuses;

"(2) use performance appraisals as the basis for determining performance bonuses;

"(3) within available funds, provide for training to improve objectivity and fairness in the evaluation of performance; and

"(4) regulate the costs of performance bonuses by establishing appropriate control techniques.

"(b) This chapter shall apply to any person who is in a position which is in GS-13, 14, or 15 of the General Schedule described in section 5104 of this title.

"§ 5402. Performance bonus system

"(a)(1) In accordance with the purpose set forth in section 5401(a)(1) of this title, the Office of Personnel Management shall establish a performance bonus system.

"(2) Bonuses under such system shall range in amount based on the respective levels of performance for which the bonuses

are awarded. In establishing the various bonus levels—

"(A) the minimum bonus, in the case of any employee, shall be an amount equal to 2 percent of the employee's annual rate of basic pay; and

"(B) the maximum bonus shall not exceed \$10,000.

"(b)(1) Under regulations prescribed by the Office, the head of each agency may award an annual performance bonus for any employee covered under this chapter.

"(2) Any bonus under this section shall be paid in a lump-sum payment, and shall be in addition to the employees' basic pay paid under subchapter III of chapter 53 of this title. Such bonuses shall not be considered to be an equivalent increase in pay for purposes of section 5335 of this title.

"(3) Determinations to award performance bonuses under this section—

"(A) shall take into account individual performance,

"(B) may take into account organizational accomplishment, and

"(C) shall be based on factors such as—

"(i) any improvement in efficiency, productivity, and quality of work or service, including any significant reduction in paper-work;

"(ii) cost efficiency;

"(iii) timeliness of performance; and

"(iv) other indications of the effectiveness, productivity, and quality of performance of the employee or other employees for whom the employee is responsible;

"(C) shall be subject to review only in accordance with and to the extent provided by procedures established by the head of the agency; and

"(D) shall be in accordance with regulations issued by the Office which relate to the distribution of bonuses authorized under this section, including the relative distribution between (i) supervisors and management officials (as defined in paragraphs (10) and (11) of section 7103 of this title) and (ii) other categories of employees covered by this chapter.

"(c) Acceptance of a bonus under this section constitutes an agreement that the use by the Government of any idea, method, or device for which the bonus is made does not form the basis of any claim of any nature against the Government by the employee accepting the bonus, or the employee's heirs or assigns.

"§ 5403. Availability of funds

"(a) Subject to subsection (b) of this section, the funds available for the purpose of this chapter to the head of any agency for any fiscal year shall be determined before the beginning of the fiscal year by the Office of Personnel Management on the basis of the amount estimated by the Office to be necessary to reflect—

"(1) quality step-increases which the Office certifies as likely to have been paid under subchapter III of chapter 53 of this title during the fiscal year to the employees of the agency covered under this chapter if the employees were not so covered; and

"(2) incentive awards which the Office certifies as likely to have been paid under subchapter I of chapter 45 of this title during the fiscal year to the employees of the agency covered under this chapter if the employees were not so covered.

"(b) Notwithstanding paragraphs (1) and (2) of subsection (a), the amount determined by the Office under subsection (a) for any fiscal year shall not be less than the amount estimated by the Office as necessary for providing bonuses during such

fiscal year at the minimum level required under section 5402(a)(2)(A) of this title.

"(c) The funds available to agency heads under this chapter shall be allocated for purposes of performance bonuses in accordance with regulations prescribed by the Office of Personnel Management.

"§ 5404. Regulations

"The Office of Personnel Management shall prescribe regulations to carry out the purpose of this chapter."

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 3. (a) Section 4501(2)(A) of title 5, United States Code, is amended by striking out "by the merit pay system established under section 5402 of this title" and inserting in lieu thereof "under chapter 54 of this title".

(b) Section 5332(a) of title 5, United States Code, is amended by striking out, except an employee covered by the merit pay system established under section 5402 of this title,"

(c) Section 5334(c)(2) of title 5, United States Code, is amended by striking out ", or for an employee appointed to a position covered by the merit pay system established under section 5402 of this title, any dollar amount,"

(d) Section 5334 of title 5, United States Code, is amended by striking out subsection (f).

(e) Section 5335(e) of title 5, United States Code, is amended by striking out "covered by the merit pay system established under section 5402 of this title, or,"

(f) Section 5336(c) of title 5, United States Code, is amended by striking out "by the merit pay system established under section 5402 of this title" and inserting in lieu thereof "under chapter 54 of this title".

(g) Section 5361(5) of title 5, United States Code, is amended by striking out the comma after "General Schedule" and inserting "or" in lieu thereof and by striking out ", or the merit pay system under section 5402 of this title".

(h) Section 5362(c)(3) of title 5, United States Code, is amended by striking out "merit pay system" and inserting in lieu thereof "performance bonus system".

(i) Section 5363(c)(2) of title 5, United States Code, is amended by striking out "53, or 54" and inserting in lieu thereof "or 53".

(j) Section 5948(g)(1)(C) of title 5, United States Code, is amended by striking out "relating to the Merit Pay System".

(k) The table of chapters for part III of title 5, United States Code, is amended by striking out the item relating to chapter 54 and inserting in lieu thereof:

"54. Performance Bonuses..... 5401".

EFFECTIVE DATE; SAVINGS PROVISION

SEC. 4. (a) The amendments made by this Act shall take effect on the first day of the first applicable pay period which begins on or after October 1, 1982.

(b) During the 12-month period following such effective date, the pay of any employee shall not be reduced by reason of the amendments made by this Act.●

LASERS

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. CARMAN. Mr. Speaker, the article in yesterday's Washington Post entitled "Soviets Reported Ready To Orbit Laser Weapons" causes me great concern.

The development of these weapons could provide a fundamental threat to our security. It is the duty of all of us in Congress as well as to the administration to assure that fully adequate preparations are made for the technological breakthrough. Our safety and freedom must not be dependent on the good will of the Soviet Union.

I am writing the Secretary of Defense to express my concern and to request his assurance that this potentially lethal threat to our security is being met. Since these weapons have the potential to dominate all others, this is not an area where risks can be taken. We must assure our security.

[From the Washington Post, Mar. 3, 1982]

SOVIETS REPORTED READY TO ORBIT LASER WEAPONS

(By George C. Wilson)

The Soviet military is well on its way to seizing the high ground of outer space, with the first big step, the likely deployment of lasers there as early as next year, the Pentagon's research director said in secret papers inadvertently made public.

While the space-based lasers pose an early threat to American satellites used for spying, communicating, navigating and guiding missiles, Richard D. DeLauer painted an even grimmer picture for the 1990s.

"We expect a large, permanent, manned orbital space complex to be operational by about 1990... capable of effectively attacking... ground, sea and air targets from space," he told the House Armed Services Committee.

DeLauer's statement was supposed to have been kept secret, but Rep. Ken Kramer (R-Colo.) read it aloud last week during a public hearing, where it was tape-recorded by Walter Andrews of Army Times and published in that newspaper this week.

DeLauer's assessment represents a big advance over previous official assessments of Soviet preparations for space warfare, and threatens to add a new dimension to the arms race between the superpowers.

Efforts to negotiate a way out of anti-satellite weapons have not been successful to date, although the United States and the Soviet Union agreed in 1967 "not to place in orbit around the earth, install on the moon or any other celestial body or otherwise station in outer space nuclear or any other weapons of mass destruction."

The U.S. military has become increasingly dependent on satellites whirling around the earth to determine what weapons the Soviets have produced, to provide warnings of nuclear attack, to communicate from one part of the earth to another, to guide ships over the sea and missiles through the sky and to tell soldiers exactly where they are on the ground at any given moment.

If DeLauer is correct, all those satellites may be threatened by powerful beams of light shot from laser guns riding around in space, where there is no atmosphere to bend and weaken the destructive rays. However, he could be giving too much credit to Soviet technology.

Former defense secretary Harold Brown credited the Soviets with weapons that might knock out low-flying spy satellites, but not the ones that hang over the earth at an altitude of 23,000 miles.

Defense Secretary Caspar W. Weinberger has earmarked \$218.3 million in the fiscal 1983 budget for space defense. He said, "We are assessing the technical feasibility of space-based laser weapons."

The Air Force is pursuing a number of weapons that could be shot into space to seek and destroy Soviet satellites. One idea is to rely on a collision, rather than explosives, to destroy the satellites, with iron shot and an umbrella of metal arms among the concepts.

"If our understanding of Soviet space doctrine is correct," DeLauer said, "[it] will allow the Soviets to begin to place in orbit in the early 1990s systems capable of effectively attacking ground, sea and air targets from space." In other words, troops, ships and aircraft would be imperiled by Soviets looking down on them from their space ships, if DeLauer is correct.

The making public of DeLauer's estimates is almost certain to help build support for a bigger Pentagon space program, raising the question of whether the disclosure was purposeful. Reporter Andrews said last night that DeLauer had tried to dissuade the Times from printing his statements, saying that "it would not be a good idea."

A source at the committee, where Kramer read DeLauer's comments at a public hearing last Thursday, said the quotations from Andrews' tape were accurate. A committee staffer stopped Kramer before he had read the entire DeLauer statement on the Soviet space program.

Air Force Gen. B. L. Davis, commander of the Strategic Air Command, had told the committee the day before in public session that, unless the United States prepares to operate in space, "The Soviets will eventually be able to deny us use of space as a support medium and use it as a high ground to launch attacks on U.S. targets. If they should achieve superiority in space, they could well attain a decisive war-winning edge." ●

COLORADO VIEWS THE REAGAN ADMINISTRATION

HON. PATRICIA SCHROEDER

OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mrs. SCHROEDER. Mr. Speaker, President Reagan appointed numerous Coloradans to his administration. Their records so far, in my opinion, leave much to be desired.

The Colorado press, however, has not quieted its pens just because the State's sons and daughters fill the front ranks of the administration. Indeed, from their ranks I want to make my own appointments.

Daniel Lynch, columnist for the Rocky Mountain Business Journal, de-

scribes the Reagan policy in El Salvador as "stupid and self-defeating." I nominate Mr. Lynch for Secretary of State.

Bill Payne, publisher of the Colorado Labor Advocate, ridicules current conventional wisdom about giving up our basic industrial economy in exchange for a service economy. I nominate Mr. Payne for White House adviser.

A SYMBOL OF U.S. STUPIDITY

(By Daniel F. Lynch)

El Salvador is the symbol of what is wrong with the foreign policy of the Reagan Administration.

It has committed the prestige of the United States to a dubious cause in a situation where we have nothing to gain and everything to lose. It is a stupid and self-defeating policy which, if successful, will result in a permanent burden, (the permanent sustenance of our client government) and which, if unsuccessful, can only encourage successful Marxist revolutionary movements throughout Latin America.

I do not propose to discuss the relative merits of the contestants within that tragic country. From my view, it is not important what virtues, if any, attach to either side. The only fact which must be accepted to understand my point is that the issue is in doubt. We are not sure whether the current government, or some pro-American successor, will win, or whether the insurgents will overthrow the people we would prefer to deal with. That fact is evidenced not only by all reportage to emanate from the country, but also by the very fact that the Reagan Administration seeks a wider American involvement.

If the issue is in doubt, it is obvious that by participating we run the risk of losing. Obviously, if our initial efforts in favor of "our side" fail to gain it a victory, we must either accept failure or increase the level of our participation. If larger efforts fail, we must either swallow a defeat of increased significance or escalate still further. That is clearly the cycle we followed in Viet Nam. It is a cycle born of a commitment of prestige—a matter of face—and not something peculiar to the Asian locale of the earlier struggle. It can clearly happen again.

Even if one supposes that Reagan would not or could not commit American troops to combat to win a resolution in our favor, and that El Salvador would not, for that reason, be precisely another Viet Nam, every effort we do make in behalf of the government clearly increases the embarrassment of the United States which would attend a triumph of the rebels.

The first question which must be asked is simple: What do we have at stake in El Salvador?

The answer provided by the Reagan Administration is that El Salvador is a proving ground for Soviet and Cuban sponsored wars of national liberation in the Americas. If El Salvador fails it is said, Honduras is next, then Guatemala, and perhaps, then even Mexico. We picture the gradual encirclement of the U.S.A. by hostile Communist states.

Conceding such a possibility, does the Reagan policy make sense?

The answer is a resounding "No!"

The fact is that Communism is a failure as an economic system. Nowhere in the world has it met the expectations of the people who live under it. Although in many

cases it has managed some significant social reforms—increasing literacy, reducing public corruption, stamping out such capitalist vices as organized prostitution and narcotics distribution—it has been unable to produce goods and services in quantities sufficient to maintain the hope and loyalty of its subjects. And, of course, it stifles and frustrates the natural desire of people for individual personal and political rights.

Communist dictators, as all others, whatever their ideological hue, will resort to violent force to prevent their overthrow. It is not easy for any people, once under such control, to overthrow it.

Yet, one thing is obvious. In all Eastern Europe, which has enjoyed the doubtful blessings of Communist government for nearly forty years, there is but one force which sustains the present regimes. That force is the Red Army. It has intervened directly in Poland, Hungary, Czechoslovakia and East Germany. It was the really credible force behind the puppet Polish army takeover of December, 1981. Without its menace, Eastern Europe would cleanse itself in a trice.

Its power is undisputed because Eastern Europe lies within the strategic penumbra of Russian power. Eastern Europe is close to Soviet Russia and far removed from the United States. Though we may empathize with the captive million of the Eastern Bloc, we dare not intervene because we lack the power successfully to oppose the Russian empire on its doorstep.

In this light, consider now the situation in Latin America. That region lies in our shadow. It is distant by thousands of miles from the Soviet Union. The United States has the military ability and has demonstrated the political will to exclude a significant Russian military presence from the hemisphere. Consider the reaction of the Kennedy Administration to the Soviet attempt to install missiles in Cuba.

Should the Cuban people undertake a genuine insurrection against Castro, the Russians would be as powerless to save him as we are powerless to upset their applecart in Poland.

Indeed, there is much reason to argue that our current policy toward Cuba encourages and perpetuates the Communist control of that country. By making Cuba an outlaw state, we have ensured its total dependence on the U.S.S.R. Does Cuba provide troops for Russian geopolitical adventures in Africa? How could it refuse when the very existence of its economy depends upon aid from the Soviets?

Consider what might happen if we would treat Cuba as we treat virtually every other Communist state. Suppose we traded with Cuba, buying cigars, rum, sugar and citrus fruits and selling needed American technical products. It is not true that such an association would create the possibility of some independence from Russian ukases?

Whether we trade or not, the system of management of the Cuban economy will guarantee a failure to gain real economic progress. That failure will result in Nicaragua or El Salvador or anywhere else such management gains control. Such failure will assure a change in those nations, a change which the Russians cannot prevent.

Meanwhile, every Soviet success in its effort to revolutionize the third world drains Moscow, as it is currently drained by Viet Nam, Afghanistan, Cuba and Poland.

Yet, like robots, we react against every Soviet initiative as though ours was the shrinking and fading system of the world,

and as though we can prevail only by prompt use of military force. The truth is that only our system shows some promise of continued viability. We are resilient. They are brittle. We have the capacity to endure. They must seek transient victories to paper over the proof of failure. We are strong. They are weak.

Our policy in Latin America should be clear and simple: First, we will not tolerate the establishment of foreign bases on American soil, and will fight to exclude them. Second, we will not interfere in the internal political affairs of any Latin American nation. Each people is sovereign, free to establish, maintain and overthrow whatever political, economic and social system it chooses to experiment with.

We might appropriately give extra non-military aid and comfort to governments which attempt to succeed as democratic states. Yet, we ought to recognize every government with the juridical attributes of sovereignty and trade with all on terms favorable to ourselves.

Lincoln called the United States "the last best hope of Earth." He did not say this because he conceived our mission to convert the rest of the world. He saw us, in the Biblical sense as a "City set on a hill," a beacon and example for people everywhere to emulate, if they chose to do so.

The source of our power is in the success of our system, not in our willingness to use our military might.

Reagan is setting us up for a fall. It is a fall we need not take. By supporting a government widely viewed as murderous and oppressive, he puts us into symbolic alliance with all the despots who oppose both Communism and freedom. We become a right wing as opposed to a left wing force, leaving people the choice between two unacceptable alternatives. Our true mission is to embody a successful alternative to all despotism.

That is the reason we should get out of El Salvador.

LIMITED NUCLEAR WAR LIKE BEING A LITTLE PREGNANT—AIN'T NO WAY!

(By Bill Payne)

You know I don't claim to be the smartest man in the world but as I read the papers and watch the tube, I wonder what happened to just plain common sense. Especially amazing are the "superbrains" from Washington and other great places of power.

Did you happen to catch CBS's "Face the Nation" this last time? Well, there was good old Paul Volcker, Chairman of the Federal Reserve Board giving out with more Mickey Mouse answers than Walt Disney ever thought of (come to think of it, Washington is a kind of Disneyland) . . . without the rides! Anyhow, our whole money supply concept is wrong! They talk and talk about cheap money and high interest, well how in the heck do you keep interest rates down when the federal deficit keeps going up—and the biggest debtor is Uncle Sam!

Quick answer is to get the investment dollar back into plants that make products. Example, U.S. steelmakers can't make it because our plants are old. Following our "victory" over the Japanese and Germans in WW II, good old Uncle went in and built modern steel plants. Take away labor costs in all three countries, and their steel is still cheaper make because of plant efficiency!

Then there are those "think tanks" who keep coming up with those theories that America should have a "service oriented" economy because basic steel, autos, etc. can

be made cheaper "over there"—which sounds swell, until you have to fight a war—then our computers hook into a world-wide circuitry and prints out bang in 200 languages!

Or those military pin heads both in and out of Congress and the Pentagon who keep trying to peddle the crazy concept of a limited nuclear war! Seems to this old veteran of the Pacific theater, that once fighting starts every weapon around will be used in the fray especially the side that is losing at the moment . . . maybe limited nuclear war is like being just a little bit pregnant . . . there just ain't no such thing!●

CONGRESSIONAL VIGIL FOR SOVIET JEWRY

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SABO. Mr. Speaker, as a participant in the Congressional Vigil for Soviet Jewry, I would like to bring the plight of Soviet Jews to the attention of my colleagues and the American people. Since coming to Congress over 3 years ago, our efforts have not only been frustrated, but the predicament of Soviet Jewry has gotten much worse. It is, therefore, even more imperative today that we continue our vigil—helping to sustain the hope and courage of Jews who continue to face oppression and reminding the Soviets and the world that we are aware and we care.

Again this year I call your attention to the case of 71-year-old Abe Stolar, a retired translator from Moscow, his wife Gita, and their son Mikhail.

Abe Stolar's situation is unusual in one respect. He was born in Chicago, an American citizen. In 1931, following Stolar's graduation from high school, his parents took him to the Soviet Union, seeking work which could not be found during the Great Depression. Stolar never renounced his American citizenship and always carried a valid U.S. passport—until it was confiscated when he applied for an exit visa in 1974.

The Stolar family received exit visas in 1975, sold their apartment and shipped their belongings to Israel, where they hoped to join Abe's sister Eva. But as they were about to board the airplane leaving the Soviet Union, they were stopped. Their visas were rescinded on the pretext that Gita had been doing secret work in her job as a chemical engineer.

When they returned to Moscow, the local housing authority put them in an unfurnished apartment belonging to someone else. They continue to be faced with possible eviction. Since 1977 Abe Stolar and his family have lived without proper clothing, beds, and the documents essential for life in the Soviet Union. Only after contin-

ued fighting were their pensions returned. Stolar's rights as a disabled World War II veteran have been denied. The Soviets refuse to register his family as aliens with the right to live and work, and 22-year-old Mikhail has been denied his right to work or study since he was 16. They also refuse to make any statement as to why they are denying the Stolars their visas, even though Gita's former employer has certified that she participated in no secret work and it has been 9 years since she retired.

There are a multitude of other examples—documented cases of hardship, separated families, and persecution more severe than Abe Stolar's. The Helsinki Accords, which the Soviet Union signed, require respect for the rights of religious and ethnic groups. They also forbid governments from stopping people who want to emigrate and rejoin their families. The Soviet Union, however, increasingly ignores these agreements.

Recent evidence from the Soviet Union shows that diminishing numbers of Jews are being allowed to emigrate while the incidence and severity of discrimination against the Jewish population are growing. In 1979, 51,000 Jews were allowed to leave the Soviet Union. In 1980 this figure dropped to 21,000 and in 1981 it fell again to only 9,450. Every month since last August a new all-time low record of exit visas issued has been set, since emigration started 12 years ago. This trend continued in January with only 290 visas granted.

Today more and more Soviet Jews are trying to leave due to the rise in anti-Jewish activities and practices. The denial of equal rights persists and is increasing in education, employment, denial of religious and ethnic expression, and propaganda promoted in the media.

The plight of Soviet Jews is one for which all Americans share concern, since the search for freedom is the cornerstone of our Nation. We must continue to express our outrage and keep our vigil over this deplorable condition.●

JOHNIE COOKS, ALL-AMERICAN

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. BOWEN. Mr. Speaker, last week I had the great pleasure and privilege of attending ceremonies in Leland, Miss., honoring an authentic all-American hero and constituent of mine, Johnnie Cooks. Because I am so proud of Johnnie, his hometown, and his alma mater, Mississippi State University, I want to share with you and

with Johnnie's many fans everywhere this special tribute to an extraordinary young man.

The Johnnie Cooks story is one of heart-warming success both on and off the football field. It is about a quiet, small-town Delta boy who rose from humble beginnings to become one of the very best who ever played at Mississippi State. Equally important, it is also a story about strength of character and a remarkable gift for leadership.

Great achievers are often those who have struggled against and overcome great adversity. That is certainly true of Johnnie Cooks. For example, in the opening game of his sophomore year, Johnnie was responsible for 19 tackles of opposing ball carriers before he suffered a serious knee injury. He was forced to the sidelines for the remainder of that season and all of the next one as well. There was grave concern that Johnnie Cooks might never play again.

We know, of course, and are all thankful, that Johnnie did come back—in a way that earned him not only stardom but enormous respect for his courage and ability to inspire. Smart, tenacious defense has been the hallmark of winning football teams at Mississippi State in recent years, and Johnnie Cooks, as middle linebacker and defensive signal caller, was always the key to its tremendous success. Personally, I will never forget Johnnie's brilliant performance in Jackson 2 years ago, when he sparked his team to a bruising upset victory over then undefeated and top-ranked Alabama.

To no one's surprise, in 1981, his senior year, Johnnie was a bona fide consensus choice for all-American, and he was also named the best defensive player in the tough Southeastern Conference. Fittingly, in his last collegiate game in a Bulldog uniform, Johnnie once again led his team to victory as State defeated Kansas in the Hall of Fame Bowl, and Johnnie walked away with still another trophy for outstanding defensive play.

Despite his newfound fame and fortune—Sport magazine calls him one of the 10 sure-fire picks in this year's upcoming pro draft—Johnnie is still basically the same person who graduated in 1977 from Leland High School—humble, levelheaded, well liked, a good student. Hometown folks always know one best, and the huge overflow crowd which gathered to pay him tribute on February 25 demonstrated as nothing else could how richly deserving Johnnie Cooks is.

Leland Progress editor Mac Gordon, whose knowledge of sports is matched by few writers anywhere, clearly understood why Johnnie occupies first place in the hearts of local citizens, as well as Mississippi State coach Emory Bellard and his staff, teammates, alumni, and fans. In his weekly

column run on "Johnnie Cooks Day" and which I have had reprinted below, Mac also spoke for the millions of television viewers all across the country who saw and admired Johnnie Cooks' unique brand of football.

Let me take this opportunity now to join with all those who know and appreciate Johnnie Cooks in congratulating him on his exceptional career, and in wishing him a most successful life in the future.

The article follows:

JOHNNIE GAVE IT ALL HE HAD

In the December 16, 1976 issue of the newspaper you're now reading, there was a story telling about a young Leland High School senior's decision to sign a football scholarship with Mississippi State University.

Johnnie Cooks was quoted just once in that story. He said, "I'm really going to give it a try," referring to the adjustment from Delta Valley Conference football to Southeastern Conference football.

That, good friends and neighbors, has to rank as one of the great understatements of all time.

Johnnie Cooks did more than just try. Five-plus years later, the young LHS senior-turned young man ranks as very possibly the greatest football player in the history of Mississippi State University. And a lot of Bulldogs have put on a lot of helmets in the time since Mississippi State played, and lost 21-0 to, Southern Baptist University one fall afternoon in 1895.

I don't know how many times I've heard it in the past year, this statement: "Mississippi State has never had a better football player than Johnnie Cooks." If I've heard it once, I've heard it 300 times, and it has come not only from homefolks, but observers of the athletic scene far and wide. It's a mouthful of a statement in itself, but very likely a true one. And it has been said by all these people without hesitation.

We're honoring Johnnie Cooks today for this perhaps unbelievable-to-some performance on the field, but we're also honoring Johnnie Cooks for other deeds. Like just being himself and a credit to his community and to his family.

Johnnie Cooks has not forgotten from where he came. Never did the opportunity present itself in the past two years, when John was earning every football honor imaginable, that he failed to tell the whole world that Leland, Mississippi, was his hometown. He wasn't very subtle about it either—"Hello, Leland, Mississippi" became his bywords, his trademark. Johnnie Cooks has brought Leland a tractor-trailerload of publicity rivaled only by Christmas on Deer Creek, and you can write that down in your book and remember it.

The mutual admiration society between Johnnie Cooks and his hometown is very real. It's something positive in a world of negatives, and it's as refreshing as a field of September cotton.

The fact that sticks out in my own mind about Johnnie Cooks is that he simply was not satisfied with being average.

There are so many average athletes running around it would take four U.S. censuses to count 'em.

It is a great puzzle to me just how many athletes in this county, in this state, in this Delta could have been a Johnnie Cooks, and, for one reason or another, wouldn't.

They wouldn't sacrifice. They wouldn't w-o-r-k. They wouldn't care about their

school enough, or their teammates enough. They wouldn't stay up nights studying to keep themselves academically eligible. It is no small accomplishment that Johnnie Cooks was always academically eligible. It is also no small accomplishment that come this spring, Johnnie Cooks will leave Mississippi State University with a blue ribbon for football, and a diploma for the classroom.

Oh, there were skeptics, even here in the hometown. There are always skeptics. I wasn't around at the time, but I've been told that this statement was made more than once five years ago: "He'll never make it."

Butch Inmon, one of Johnnie's high school mentors and one of his greatest admirers, says he'll never forget the night when a recruiter for another Mississippi school left a Leland High game at halftime. The man had come to observe Johnnie Cooks. "He can't play in the Southeastern Conference," said the recruiter.

Obviously, if there was a joke in that statement, it was on the recruiter.

How many "could have beens" are roaming the streets of Jackson, of Memphis, of Tupelo, of Leland? There must be hundreds of them, and they are of all sizes, shapes and colors.

It is so nice to add that Johnnie Cooks is not among them. He's millions of miles away, but it's not a dreamland he's in. It's all very real.●

HON. JOHN JARMAN

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SYNAR. Mr. Speaker, I would like to take this means to express my deep sorrow at the passing away of former Oklahoma Congressman John Jarman.

Congressman Jarman served in the U.S. House of Representatives during the 82d Congress through the 94th. He was first elected 3 weeks after I was born, and I grew up not knowing an Oklahoma congressional delegation without him.

Oklahoma's small congressional delegations have traditionally observed an unwritten "division of labor" in which each member will develop an expertise in an area of importance to our State. I have inherited the seat John held on the Energy and Commerce Committee. In that seat I am coming to appreciate more and more the behind-the-scenes work John did for Oklahoma.

He represented Oklahoma City during a period of phenomenal growth. His service helped form that city's present status of leader in the energy industry.

The State of Oklahoma was well served by John Jarman's 26 years in the House, and I am sure that his service will be well remembered.●

AFFIRMING THE PRINCIPLES OF UNITED STATES-CHINA NORMALIZATION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SOLARZ. Mr. Speaker, I learned today that on February 24 in Beijing, China, some people completely misrepresented the new United States immigration law granting a quota to people born in Taiwan as "an attempt to create two China's."

Anyone who knows the legislative history and intent of that law knows that the one and only purpose of that legislation was to right a wrong, to see that American citizens whose family members were born on Taiwan were not kept from being reunited because of the happy event of United States-China normalization.

The normalization of relations with China after decades where people in China could not apply for United States immigrant visas led to a sudden surge of Chinese applicants at Peking and Canton who stand at a high level of preference such that the number of immigrant visas for people born on Taiwan was being squeezed out and a big backlog was building. Since the U.S. Congress had already committed itself to guaranteeing that normalizing relations with China would not injure U.S. families who had migrated here from Taiwan, the Congress simply kept faith with its promise in passing the new statutes.

Since late in the 19th century, the U.S. record on excluding people from China from immigrating to our country is not one to be proud of. Some people might argue now that it is not fair to limit some 1 billion Chinese people to the same number of immigrant visas as little Belize. Surely the Chinese case has to be seen on its own unique merits. Surely even if we cannot right past wrongs, no injustice is done by this new expanded immigration visa situation.

Most important, in righting this wrong in American immigration law, I wanted to make certain that it would in no way infringe the principles of United States-China normalization. I made this intent clear to the Government of China and to the Members of Congress. Consequently, I drafted and redrafted the legislation to meet legitimate Chinese objections. And when a misunderstanding remained, I wrote to the Department of State to guarantee in writing that the new law would be interpreted in harmony with the principles set forth in the agreement on normalization between China and the United States. No reasonable person informed of the facts can contend that my goal was to create two Chinas. That is patently absurd.

The House Foreign Affairs Subcommittee on Asian and Pacific Affairs, which I chair, has made great efforts to contribute constructively to the full development of normal United States-China relations. I will continue to do so. I hope that ill-informed people will not again ignorantly suggest that the new U.S. immigration law in any way undermines those normalization principles and mutually beneficial United States-China relations to which I am deeply committed.●

CLINTON MAHAN FAIR

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. PERKINS. Mr. Speaker, I would be remiss in my duties as Chairman of the Committee on Education and Labor if I did not note in the proceedings of the House the passing on January 6 of Clinton Mahan Fair.

Clinton Fair was well and favorably known by many of us in this body as a legislative representative of the AFL-CIO for 15 years prior to his retirement in 1975. Earlier he had been assistant director of the AFL-CIO social security department from 1957 to 1960.

A great gentleman and a good friend, he made a useful and significant contribution to legislation affecting the welfare of his union members. He always had a firm grasp of the facts and the issues, and he used them to the benefit of the working men and women of America. It was always a pleasure to work with him.

Clinton made many friends on the Hill over the years, and I am genuinely sorry about his loss. He had been ill for the past 2 or 3 years and was 72 when death overtook him in his native town of St. Ignace, Mich.

Clinton Fair began his professional career as a history teacher in St. Ignace. During World War II he saw service as a lieutenant commander in the Navy in the Pacific and Mediterranean theaters of operations. He was a lifelong member of the American Federation of Teachers and was national secretary in 1957.

He served as legislative secretary to Governor G. Mennen Williams of Michigan from 1949 to 1951.

Clinton was a 1930 graduate of Eastern Michigan University and took a graduate degree from the University of Wisconsin in 1938.

Memorial services were held in St. Ignace.●

TRIBUTE TO RABBI BERNARD L. BERZON

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. SCHUMER. Mr. Speaker, it is with great pride that I rise to honor Rabbi Bernard L. Berzon, who after 43 years of service to Young Israel of Avenue K, Congregation Ahavath Israel, has announced his retirement. A man of rare quality, Rabbi Berzon's combination of intellect and charm make him an individual who has deeply touched the lives of those who know him.

Rabbi Berzon began his career serving the Jewish community in Bangor, Maine from 1935 to 1939, at which time he came to Young Israel of Avenue K. His list of accomplishments reflect his selfless generosity. From 1967 to 1969, he was president of the Rabbinical Alumni of Yeshiva University/Rabbi Isaac Elchanan Theological Seminary and an executive member of the Rabbinical Board of Flatbush. From 1970 to 1972, he was president of the Rabbinical Council of America and from 1971 to 1973, he was vice president of the Religious Zionists of America. For his service and achievements, Rabbi Berzon is renowned throughout the world rabbinate as well as within our community.

A multitasking man, Rabbi Berzon has written and published numerous articles on Jewish law. Gaining the accolades he so rightly deserves, Rabbi Berzon has received numerous awards from Yeshiva University, the Religious Zionists of America, the State of Israeli Bonds, the United Jewish Appeal, and the Jewish National Fund.

Viewed throughout the community as a warm and sincere man, Rabbi Berzon has served for 36 years as Jewish chaplain at Coney Island Hospital, until 1981. He remains active in the Boy Scouts of America; a long-time interest.

His loyalty and sensitivity, in addition to his finesse put Rabbi Berzon in "the foremost eyes of everyone," remarked one congregant.

In spite of the tireless energy with which he serves others, Rabbi Berzon still has time to be a model family man. He speaks proudly of his wife of 47 years, Sylvia, and their daughters Judith and Adina, and sons Chananya and Azarya, both of whom are rabbis. He is equally devoted to his 12 grandchildren.

I echo the sentiments of an entire congregation and community when I say Rabbi Berzon is a man who will be long remembered. He engenders the respect, admiration, and affection of all those with whom he comes in con-

tact. Although saddened by his departure, our community views this not as the closing of one door, but as the opening of another. On behalf of the Congress and my constituents, I take this opportunity to wish Rabbi Berzon health and happiness on his Aliyah to Eretz Yisroel. A truly outstanding man, it is indeed an honor for us in Brooklyn to call him one of our own. ■

OIL, OIL EVERYWHERE

HON. HANK BROWN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● **Mr. BROWN** of Colorado. Mr. Speaker, the Wall Street Journal recently pointed out in an editorial that the only synthetic fuel plants we need are the ones that make economic sense. As the Journal noted, the subsidies handed out by the U.S. Synthetic Fuels Corporation will crowd out other projects that have a more legitimate claim to credit. At the same time, the Synthetic Fuels Corporation's billions simply distort the already overburdened credit markets.

For those who are unfamiliar with the spectacular decline in world oil prices and the effect of this on synthetic fuels, I am reprinting below a commentary by Hobart Rowen in today's Washington Post and an analysis yesterday in the Christian Science Monitor.

Once again I ask my colleagues to join me in my effort to abolish the ill-conceived Synthetic Fuels Corporation by cosponsoring H.R. 5404.

OIL, OIL EVERYWHERE

(By Hobart Rowen)

In many ways, the events associated with the spectacular decline in world oil prices now taking place are as meaningful as the two OPEC oil price increase "shocks" that destabilized the world economy in the 1970s.

While world prices remain, theoretically, tied to the Saudi Arabian standard of \$34 a barrel set last October, Iran has come back into the market aggressively with three successive price reductions to \$30. And the real price, in the spot markets, is no more than \$28. North Sea oil, which sells at a premium over Middle East oil, was slashed by \$4 a barrel this week to \$31, following a \$1.50 reduction only a month ago. This will unquestionably accelerate price cuts among the OPEC countries.

Meanwhile, the Russians, in urgent need of cash and commodities, reportedly are meeting the Iranian price on a substantial amount of oil offered in European markets.

As the glut continues to pile up, it becomes increasingly clear that the price trend is inevitably further down. Increasingly, consumers should see it at the pump—with gasoline moving down toward \$1 a gallon, and possibly lower.

Exxon chairman Clifton C. Garvin conceded the other day that the world's largest oil company hadn't foreseen the huge drop in world consumption, which represents

"something more basic" than conservation alone.

Exxon analysts warn that forecasting oil prices is risky. Others are less bashful. Reports out of London say the Saudis would readily drop the benchmark price to \$29—but that may not be low enough. Some conservative oil experts would not be surprised to see \$25 oil, and there are credible predictions of \$20 a barrel within the next year.

That stunning figure (less than half of the peak spot market price two years ago) comes from at least two sources—Philip K. Verleger Jr. of Yale University and Booz-Allen & Hamilton; and freewheeling oil broker Harry Neustein, who is involved in the burgeoning oil barter business.

Verleger thinks the decline could be stopped by big production cuts in OPEC, but he doubts that will happen. Neustein adds up non-Communist world production potential to nearly 70 million barrels a day, and concludes that a continuing price slide is inevitable, regardless of OPEC attempts to manage supply.

Others warn that because the Middle East is a tinderbox, the glut could quickly disappear. But many oil experts believe consumption has dropped so dramatically, and new sources of oil are coming onstream so steadily, that the Middle East will never again have the controlling role that it held during the 1970s.

At present levels, declining oil prices have wiped out the attractiveness of investments in synthetic fuels, tar sands and the like, and are dealing a body blow to profitability in coal. Beyond that, the decline makes painfully clear that DuPont's \$7.89 billion takeover of Conoco and U.S. Steel's \$6 billion takeover of Marathon Oil may not turn out to be the brilliant corporate gambits they were advertised to be.

Both takeovers were aimed at picking up, cheaply, the highly valued oil reserves held by Conoco and Marathon. But what is the true value of reserves? Neustein, in an interview, says bluntly, "It was a bad deal for both of them (U.S. Steel and DuPont). A few years from now, it will be a millstone around their necks."

Bruce Lazier, a Paine Webber Mitchell Hutchins analyst who follows the oil industry, is less bearish than Neustein, because he thinks the acquisitions "were cheap enough," and besides, doesn't expect that the glut will last forever.

Nonetheless, Lazier agrees that the two industrial giants "aren't getting as good a bargain as they thought," especially DuPont, which will be hit hard by the declining value of the coal properties picked up in the Conoco deal. "At \$25 oil, you can shut down most of Appalachia," Lazier told me. "At \$20, it's finished."

There are other worldwide ramifications: Japan is sitting on an enormous—perhaps as much as 100 days' supply of oil—brought at peak prices. Verleger points out that when interest rates rise from 10 to 18 percent, the annual cost of holding a \$34 barrel of oil jumps from \$3.40 to \$6.12 a barrel.

So far, efforts by Saudi Arabia and the rest of OPEC to get together in an effort to control production—and price—have failed. OPEC's output has fallen to 19 million barrels a day, compared to a high of 31 million barrels a day in 1977. This is the lowest level since 1969—before the first oil-price shock.

The dramatic turn will require oil exporters who have gotten used to high incomes and huge internal budgets to change their way of life. As a result, there may be severe internal social and economic distress within

OPEC. If so, it would be one more unhappy product of the irresponsible wave of price hikes that OPEC set off 10 years ago.

ALTERNATIVE ENERGY PROJECTS FALTERING

(By Thomas Watterson)

Oil from the tar sands of Canada and the shale deposits of the Rocky Mountains were supposed to help bring energy self-sufficiency to North America and free it from the tight control of the oil exporting nations.

However, a world oil glut and its partner, falling prices, have left the pricing system of the Organization of Petroleum Exporting Countries in disarray. Ironically, they have also taken away much of the economic incentive for oil sands and shale oil projects, leaving the short-term future of these resources uncertain. And in the long run, the oil glut and declining prices could leave the world vulnerable to another oil shortage.

The world's current bounty of oil and its reduced price were primary factors in the decision of three of eight partners to withdraw from the Alsands project in northeastern Alberta last week.

First, Dome Petroleum and its affiliate, Hudson's Bay Oil & Gas Company, took out their 12 percent share. Then, Shell Explorer Ltd., owned by the Shell Oil Company, pulled its 20 percent stake. Two other partners, Amoco Canada and Chevron Standard, with 10 and 8 percent, respectively, had folded their tents a few weeks before.

Now there are only three firms, including Petro-Canada, the national oil company, remaining in the \$14 billion project aimed at turning the gooey oil-and-sand mixture into usable petroleum. The project is supposed to produce 137,000 barrels of oil a day, or 10 percent of Canada's production, by 1990.

"The one thing the participants wanted to realize was a return that was above the inflation rate," says Alex Squires, energy analyst with Pitfield Mackay Ross Ltd., a Toronto investment firm. Without the promise of that kind of return, projects like Alsands "may likely die," Mr. Squires says. It is possible, however, that they could be "resurrected in some other manner," with the government perhaps taking on a bigger share, he says.

"The economics of these projects are getting thinner and thinner," says Michael Smolinski, energy analyst with Data Resources Inc. (DRI), the Lexington, Mass., economic consulting firm.

"All of these projects [oil sands and shale oil] were based on projections of what oil prices would be in five or 10 years," notes Rosario S. Ilacqua, energy analyst at L. F. Rothschild, Uterberg, Towbin in New York. "But there's been a downward revision in what the price will be 10 years from now. On the other hand, the cost of building these things keeps going up."

Despite its current troubles, the Alsands project will continue, says Hans Maciej, technical director of the Canadian Petroleum Association in Edmonton, Alberta. While it "is in trouble at the moment," he says, "that's no indication of collapse."

There are two other oil sands projects in Alberta. But one of them, Syncrude, due to a plant breakdown, is reportedly only operating at half capacity, turning out 60,000 barrels a day. The other, Suncor, has not resumed production since two major fires in January.

For Canadian oil sands projects to survive, Mr. Maciej argues, they need more than a return to tight oil supplies and higher

prices. They also need a reduction in the Canadian government share of oil revenues.

Last September, Alberta's provincial government and Canada's federal government ended a 16-month pricing dispute with an agreement that increased the federal share of oil and gas revenues from 10 to 29 percent. Alberta, which produces 85 percent of Canada's oil and gas, cut its share of revenues from 45 to 34 percent, and the oil companies' share fell from 45 to 37 percent.

If oil prices do not head upward again, "there may have to be a significant adjustment in what the companies get," to keep them interested, energy analyst Squires says.

But higher oil prices are not expected soon. "In our current forecast through 1986 we see significantly lower prices for oil, relative to inflation, says James Osten, oil analyst in DRI's Toronto office.

Might the federal government reduce its share, then?

"There is no possibility of that," says Marc Lalonde, Canada's energy minister. "The problems with Alsands are particular to that project. . . . Other projects—including offshore oil—are going ahead without any problems under the agreement."

Despite the current economic climate, the Alsands project should continue, Mr. Lalonde said in a telephone interview with the Monitor. "Canada needs the oil. We are still importing oil, but we want to be self-sufficient.

"I would still argue that tar sands are a good source of oil. But the oil companies tend to take a very short-term view of these things. We are in a recession, but when we come out of it, we will need these oil resources." For a long time, the oil companies overestimated the future price of oil, Lalonde notes. Now, he says, they are being "too pessimistic" in expecting prices to stay low.

The three companies left in the Alsands currently hold a 50 percent share of the project. These remaining partners are talking with "other parties" about the possibility of joining the project, Lalonde says, though he would not name them.

Another factor is slowing the development of the oil sand projects: tight money and high interest rates. "The capital markets have dried up and the private companies don't have the wherewithal to go ahead with projects like these on their own," Squires says.

The "price of money" has also inhibited the development of shale oil, says Martin D. Robbins, director of the Colorado Energy Research Institute. But Mr. Robbins thinks the current climate of oil oversupply, declining price, and high interest rates could lead to important advancements in shale oil technology, if the oil companies seize the opportunity.

"Current shale oil recovery technology," he argues, "is basically the same as it was in 1949. Here you have a technology that is more than 30 years old and it's never been tested on a full-scale project." Oil companies should use the "breather" in oil demand to research new, more efficient ways to get oil out of shale in the next century, he believes.●

JOHN MACINNES, ADMIRER
HOCKEY COACH RETIRES

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. DAVIS. Mr. Speaker, one of our outstanding citizens recently announced his retirement as one of our country's most admired hockey coaches. John MacInnes, hockey coach at Michigan Technological University in Houghton, Mich., will retire at the end of this season after more than 550 victories. All of us who believe sports can play an integral part in the education of our young people will sorely miss John MacInnes. Recently, the Daily Mining Gazette, published in Houghton, printed an editorial honoring Mr. MacInnes. I insert it to be reprinted in the RECORD.

[From the Daily Mining Gazette, Feb. 23, 1982]

MACINNES GOES OUT A WINNER

A poetic question: How can you tell the dancer from the dance?

An athletic question: How can you separate the Michigan Tech hockey program from John MacInnes?

MacInnes has been the Tech hockey coach for so long that it's almost impossible to think of Tech hockey without him.

MacInnes is going to take a well-deserved retirement from the rigors of hockey coaching at the end of the season. His former players wish him well, and some have expressed relief that he is getting out now—after 26 successful seasons—as the college hockey coach who has won more games than any other. His health hasn't been perfect, and his job is a tough one.

When people talk about MacInnes's hockey program, they're not just talking about the 552 wins. They're talking about a man and his wife (Jerry) who took young students in and made them a part of a university community that was in some ways like home.

His players have had nothing but good things to say about him and the role he played in their lives. And now he is about to end his career as the John Wooden or the Bear Bryant of college hockey.

MacInnes has already coached his last regular season home conference game. Coming up are the CCHA playoffs. Let's hope that this year's team, which has played brilliantly at times and slowly at others, sends him off as a winner on the ice.

But whether that happens or not, John MacInnes will always be remembered in the Copper Country and in college hockey circles as one of the biggest winners around: a man who in 26 years earned only respect and gained only friends and admirers.●

A TRIBUTE TO FRED
LENFESTEY

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. IRELAND. Mr. Speaker, I would like to take this opportunity to pay tribute to one of my constituents who, for the greater part of his professional career, has seen fit to dedicate his life to the education, betterment, and cultural enlightenment of the citizens of his community.

Fred Lenfestey is retiring in June as president of Polk Community College in Winter Haven, Fla. Dr. Fred, as he is called, has served as president of Polk Community College since it was founded in 1964. It would be impossible to list his achievements in this RECORD but, needless to say, they have been many.

Dr. Lenfestey took a newborn college that was based in rented facilities in Bartow, Fla., and had an initial enrollment of less than 1,000 students, to its present leadership as one of the outstanding members of the Florida community college system.

Today, thanks to Dr. Lenfestey's guidance, Polk Community College is permanently located on a 100-acre campus in Winter Haven, Fla., and each year enrolls over 5 percent of Polk County's total population in credit or noncredit courses. During his tenure as president, Dr. Fred has personally awarded 9,327 associate degrees to citizens of his community.

According to Dr. Lenfestey himself, the highlight of his career came a few months ago when, at the urging of students, the District Board of Trustees approved the naming of the college's student center as the Fred T. Lenfestey Student Center.

A bronze plaque on the outside of the student center perhaps sums up Dr. Lenfestey's efforts on behalf of his community. It refers to him as the founding president, academic leader, master teacher, involved citizen, and above all a friend of students.

It is my pleasure to honor a fellow Floridian at this time.●

THE IMPACT OF BUDGET CUTS
ON CHILDREN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 4, 1982

● Mr. RANGEL. Mr. Speaker, yesterday I held joint hearings between the Oversight and Investigations Subcommittee of Ways and Means, and the Health Subcommittee of the Com-

merce and Energy Committee, on the impact of the budget cuts on children. I was honored that my distinguished colleague from California, Mr. MILLER, presented important testimony during those hearings which demonstrates the effectiveness and critical need to continue the programs enacted for children. The shortsightedness of the administration's efforts to dismantle these programs is amply documented in Congressman MILLER's statement. The text of his testimony follows:

STATEMENT OF CONGRESSMAN GEORGE MILLER:
"IMPACT OF THE BUDGET CUTS ON CHILDREN"

It is difficult to imagine a more important task than that represented by the charge of this hearing: To assess the impacts of the administration's budget cuts on our Nation's children. I am sure that by the end of the day, this administration's assault on this defenseless population—a population we commonly refer to as "our most important resource," and "our greatest source of hope"—will be appallingly obvious.

Children are neither partisan nor powerful. They cannot lobby on their own behalf, they cannot vote, and they cannot make campaign contributions. They are poor or handicapped or left without parents through no fault of their own. Children must depend on us to protect and advance their cause. And now they need us more than ever.

This administration claims it cares about children. This is simply not so. This administration's concern for children is sheer hypocrisy.

This administration would have us reverse a steady path of progress:

Progress in reducing our infant mortality rate.

Progress in bringing more and more children into this world as healthy babies and insuring that they receive essential health care during their formative years.

Progress in assuring handicapped and disadvantaged children equal educational opportunities.

Progress in placing foster children in stable homes rather than losing them in institutions.

We did not establish the programs and policies that have forged these accomplishments because we had nothing to do one day, but because they are the fundamental goals of a civilized and humane and compassionate society, because we were told repeatedly about distressing problems and unmet needs. We have seen our solutions work and we have seen them save money. It takes only a few examples to set the record straight:

WIC

The March of Dimes informed us of horrifying statistics about high infant mortality rates, birth defects, and mental retardation.

We learned that these outcomes could be traced to severe cases of malnutrition among low-income, pregnant women.

So, we designed the WIC program—the special supplemental feeding program for women, infants, and children.

This program provides nutritious food to supplement the diets of pregnant, postpartum, and breast-feeding women and their children who are medically certified to be at high nutritional risk.

And it has worked. It has worked not only to save lives, but also to save money.

A study by the Yale School of Medicine revealed that, for pregnant women participating in WIC, the number of infant deaths was almost one-third the number for women who did not participate.

We also know this program is cost-effective: A Harvard School of Public Health study shows that every dollar spent on WIC saves \$3 in future medical costs. And the USDA has estimated that.

If WIC reached all eligible pregnant women, the savings to Federal taxpayers could exceed \$1 billion.

FOSTER CARE

We heard about some 500,000 children who were caught in limbo in the foster care system, two-thirds of them placed inappropriately and at a cost of billions of dollars to taxpayers.

So, we enacted the Adoption Assistance and Child Welfare Act, which passed with resounding, bipartisan support in 1980 after 8 years of work.

This legislation provides essential safeguards for foster care children.

It contains incentives for State welfare agencies to reunite families whenever possible or to place children in stable adoptive homes.

The Department of Health and Human Services estimated that, if properly implemented, this program could save as much as \$4 billion in taxpayer expenditures over the next 5 years.

We know that, in the communities and States that have implemented the types of procedures contained in the act, the foster care caseload has been reduced.

TITLE I AND HEAD START

We heard about children who remained virtually illiterate, despite years in public schools.

We learned that these early educational losses which stunt the opportunities of children to become productive members of society can be reversed.

So, we created Head Start and title I of the Elementary and Secondary Education Act—the centerpieces of this country's compensatory education policies.

And these programs have worked.

We know that Head Start has produced lasting educational gains for its graduates. They score better than their non-Head Start peers on standard achievement tests, have fewer grade retentions, and fewer special education placements.

We know that title I has exhibited an equally impressive track record confirmed recently by the Department of Education's own evaluation of the program.

Yet, despite these programs' successes, this administration has repeatedly attempted to destroy them.

Last year, the Reagan Administration proposed:

To cut WIC by over 30 percent. Nearly 700,000 low-income women and their children would have been forced off the program.

To block grant and cut by 25 percent the adoption assistance, foster care, and child welfare programs, thus repealing the 1980 landmark legislation.

To fold title I into a block grant and reduce its funds by 25 percent. School districts have already reduced personnel and dropped students from compensatory education projects.

To request a meager 2 percent increase for Head Start that does not begin to keep pace with inflation.

In addition, the administration recommended cuts in CETA, title XX, and child nutrition programs, which have had severe impacts on Head Start.

Now, here we go again—despite the clear messages of Congress to the President to keep his budget ax away from foster care, from WIC, from title I, and from Head Start—the administration has renewed efforts to decimate these programs.

And again, administration officials will minimize the impacts of these cuts, such as last year when the Administrator of the Food and Nutrition Service assured us that their cuts would not force a single school off the school lunch program.

But, the USDA has documented that 1,500 schools are no longer participating in school lunch and the American School Food Service Association estimates that at least 3 million children have lost their lunch programs as of January 1, 1982.

Let me ask again: why should we cut these valuable programs?

Not a single member of the administration has testified that these programs don't work. In each and every case, the administration officials have acknowledged the successes of the very programs they want to destroy.

Secretary of Education Terrel Bell has confessed that, "The rationale for the budget cuts was not based upon any alleged failure of title I. I know, and I can testify to this committee, that our title I programs are successful."

Deputy Secretary of Agriculture Richard Lyng admitted: "No one questions the importance of the WIC program in preventing nutritional and medical problems of pregnant and nursing women and infants, especially those with measurable nutritional problems."

Dorcus Hardy, Assistant Secretary for Human Development Services, Just last week, told the Human Resources Subcommittee that the administration is "very supportive" of Head Start, which she described as "one of the most important and effective" of federal social programs.

So, on what basis are they gutting these programs? What are their justifications? There is only one: We need to cut the budget. Yet, even if we totally eliminated these and similar programs that serve needy children, the President would still be faced with the largest Federal deficit in history.

Where is their evidence that these cuts will, in fact, save money in the years ahead? Where is their evidence that these programs are ineffective? There is not a shred of evidence.

The administration knows that these programs work, that they are cost-effective, and that they help children. Yes, they cost money . . . because they do their job. And, if we do not have the wisdom and the courage to fight this administration's efforts to decimate these programs, our shortsighted frugality will haunt us later in the form of massive unemployment, welfare, and health care costs.

What we are talking about here is the kind of future we want our children to face. And for some children, the tradeoffs we are talking about are between literacy and illiteracy, between a healthy life and a life stunted by malnutrition and poor health care, and between a stable home and a life lived in institutions. Children are counting on us. Their parents are counting on us. And the American public is counting on us. We owe them all a fight. ●